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*for*  
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# *Public Administration Review*

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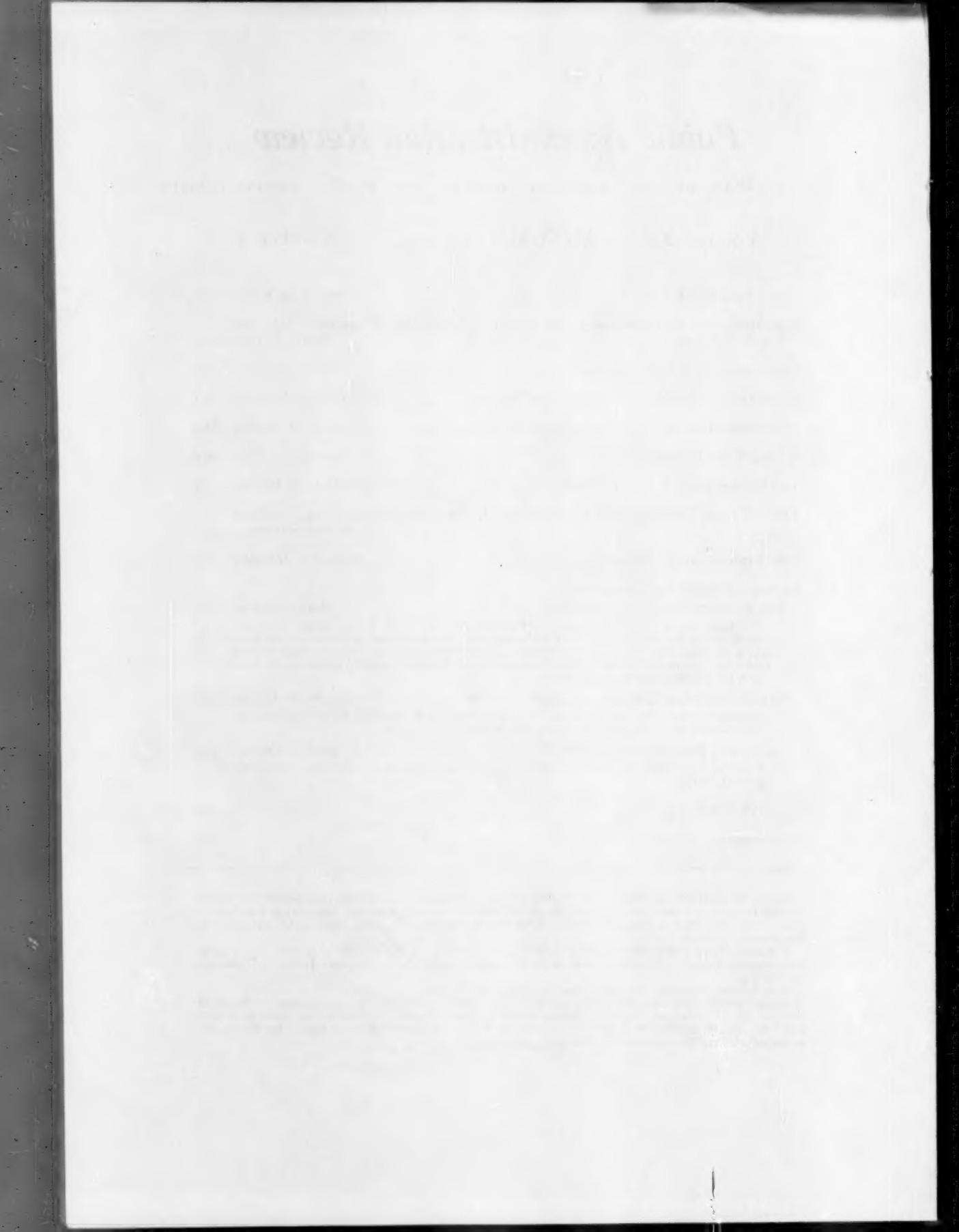
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## IN THIS NUMBER

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*Public Administration Review* is intended to promote the exchange of ideas among public officials and students of administration. The various views of public policy and public administration expressed herein are the private opinions of the authors; they do not necessarily reflect the official views of the agencies for which they work or the opinions of the editors of this journal.

# The Senior Civil Service

By LEONARD D. WHITE

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THE proposal for a senior civil service in the federal government, launched by the task force on personnel and civil service of the second Hoover Commission and endorsed by the commission, has antecedents stretching back nearly a quarter century. The issue was first raised in the Report of the Commission of Inquiry on Public Service Personnel in 1935. This able but unofficial body turned the course of discussion from the technical details of personnel management that had occupied the previous decade to the grand strategy of the public service. Its members recommended an administrative service firmly set on career foundations: ". . . to make public employment a worth-while life work, with entrance to the service open and attractive to young men and women of capacity and character, and with opportunity of advancement through service and growth to posts of distinction and honor."<sup>1</sup> The projected administrative service was intended to include all the nonpolitical top positions, "posts of real eminence and honor." The details of such a service were not worked out by the commission but shortly thereafter were stated by the present writer, in *Government Career Service*.<sup>2</sup> Neither of these proposals struck fire, offered as they were in the midst of the Great Depression.

The problem of a permanent administrative corps was tackled anew by Floyd W. Reeves and Paul T. David in their report, *Personnel Administration in the Federal Service*, addressed to the President's Committee on Administrative Management in 1937. Reeves and David declared:

<sup>1</sup> *Better Government Personnel; Report of the Commission of Inquiry on Public Service Personnel* (McGraw-Hill Book Co., 1935), p. 3.

<sup>2</sup> University of Chicago Press, 1935.

. . . few if any changes in personnel administration could do more to invigorate the public service than a sharp demarcation between the high political and the highest nonpolitical positions, with the reservation of a number of high posts immediately below the Cabinet rank for nonpolitical career administrators. . . . A corps of career administrators immediately subordinate to policy-forming officials should therefore be regarded as indispensable to the successful functioning of the Executive Branch.<sup>3</sup>

Reeves and David found, indeed, that a *de facto* administrative service had come into existence, although its function was not generally understood and its status was undefined.

. . . they [the corps of career administrators] do not receive the recognition in dignity of office, emoluments, or security of tenure to which their actual contribution to the business of government entitles them. They are thus handicapped in their work, and the positions they occupy do not hold out the incentives and opportunities to the lower grades of the service that are so necessary to attract new talent to the service and to improve the morale and performance of that already present.<sup>4</sup>

To improve this situation Reeves and David recommended a nonpolitical career group comprising executive officers equivalent in rank to an under secretary; assistant executive officers; the persons responsible for personnel, budgets, accounts, and procurement; and the heads of the various bureaus. These recommendations were forgotten in the general excitement over "packing the Supreme Court" and the "dictator bill" designed to carry out the proposals of

<sup>3</sup> The President's Committee on Administrative Management, *Report of the Committee with Studies of Administrative Management in the Federal Government* (U.S. Government Printing Office, 1937), p. 121.

<sup>4</sup> *Ibid.*, p. 122.

the Committee on Administrative Management.

One other effort to strengthen top management occurred before World War II broke out, the recommendations of the President's Committee on Civil Service Improvement, popularly known as the Reed Committee from its chairman, Mr. Justice Stanley Reed of the Supreme Court. The primary concern of this committee (1939-41) was the status of federal lawyers. In addition, the committee recommended the creation of an administrative corps to include all administrative positions in CAF-11 or P-4 and above. Each department was urged to develop an effective and orderly means of training junior executives for eventual promotion into the new corps. This plan was quickly lost from sight in the turmoil and anxiety of World War II.

Despite a decade of discussion, therefore, little actual progress was made. Some agencies began to develop training programs and the Civil Service Commission began to recruit young college and university graduates for a type of public service opportunity that was yet hardly understood within the federal government. More progress was probably made in the new emergency agencies of the 1930's than among the old-line departments, but the general advance was partial and limited.

Change comes with crisis. The economic crisis of the 1930's demonstrated that government was likely to play a more active role in human affairs than ever before, and that it would need a more imaginative type of executive leadership. The annual Junior Management Assistant examination and its predecessors were a half-intuitive recognition of this need. The war crisis of 1941-45 was met, necessarily, by improvisation and a desperate search for such business, industrial, and academic talent as might be available. The post-war executive crisis was hardly visible to the first Hoover Commission's personnel policy committee, but it occupied the central place in the thinking of the second commission task force.<sup>5</sup>

The contemporary managerial crisis, insistently demanding radical reform in the public

service, is deep-seated. The government cannot withdraw from the task of ensuring, so far as possible, stability in the national economy. The government cannot escape the obligation of maintaining a monopoly of atomic energy, perhaps destined along with water power to be one of the principal sources to supply the needs of the American people for primary power. The federal government, it now appears certain, cannot release any of its complex activities to the states. They appear both unable and unwilling to carry more of the governmental burden. The great constructive tasks of research, military and civil, raise new problems of the adjustment of management to science. Every quarter of the official compass reveals problems, urgent and complex, with which only the federal government can cope. It is against this pressure of need for the indefinable future that the proposal for a senior civil service must be measured. It was designed not for a temporary palliative but as a permanent force progressively making ever more significant contributions to the management of a huge organization and to the analysis of the great issues of public policy with which the government is obliged to deal.

#### *The Plan*

*Membership and Functions.* The senior civil service is designed to include initially about 1,500 men and women in the permanent career service with at least five years of government employment, drawn primarily from present grades GS-15-18. Selection would be made on the basis of demonstrated competence for the highest level professional administrative work, whether line or staff. The size of the corps might increase eventually to about 3,000, depending on the needs of the service and on the availability of candidates of the highest quality. Not all present members of the GS-15-18 groups would necessarily be selected for the senior civil service; some of them are scientists who have neither taste for nor interest in administration; some of them are specialists whose talents are different from those expected in the senior civil service; some from age or other circumstances might prove not to have the necessary qualifications.

Selection for membership in the senior civil

<sup>5</sup> Commission on Organization of the Executive Branch of the Government, Task Force on Personnel and Civil Service, *Report on Personnel and Civil Service* (U.S. Government Printing Office, 1955), 252 pp.

service would be the task of a senior civil service board. It is proposed to establish a board of five—three distinguished citizens with suitable experience appointed by the President, and the chairman of the United States Civil Service Commission and the director of the Bureau of the Budget, or their alternates. The board from the outset would have an autonomous status somewhat similar to that of the one-time Loyalty Review Board. Nominations for membership in the senior civil service would originate in the departments and would be screened by the board with such advice and assistance as it might require.

The task force on personnel and civil service conceived the primary function of the senior civil service to be management at the highest level immediately beneath the political top command. Its members would consequently occupy such positions as assistant secretary for administration, professional aides to Secretaries and assistant secretaries, general managers and assistant managers of the great commissions, bureau chiefs, assistant bureau chiefs, some division chiefs, heads of regional or district offices, and heads of budget, personnel, and other organic staff offices. Bureau chiefs now often combine political and executive functions. The task force recommended a progressive separation of the two and the rigid protection of bureau chiefs from political connections and duties.

The senior civil service would also include the deputy heads of staff offices concerned with questions of substantive policy. The head of such an office is properly a member of the political top command, where policy issues are necessarily determined. The deputy head has the task of collecting and organizing data bearing on emergent policy issues, of interpreting such data, and of giving advice as to the consequences of any proposed line of action. His advice is professional, equivalent to that of a lawyer or an engineer; political evaluation falls outside his province.

Some members of the proposed senior civil service would, therefore, be primarily concerned with management at its highest levels; others would be concerned with the preparatory study and analysis of substantive policies, the preliminary draft of policy papers, and pro-

fessional advice to the policy makers. These are, of course, well-established functions in the federal government.

*Status.* The task force recommended that the members of the senior civil service have a personal-rank status instead of the customary job status under the Classification Act. Tenure is consequently to resemble that of a general or flag rank officer in the Armed Forces. To quote the task force report,

Congress should authorize and the President should establish a Senior Civil Service consisting of experienced civil servants who have so well demonstrated their administrative competence, integrity, and qualities of leadership that their rank, basic salary, and status should be vested in them as individual civil servants. This would differ from the traditional practice of attaching rank and salary to the job. In a sense they would be "commissioned officers" of high rank. . . . (p. 51)

A number of corollaries flow from this concept.

1. Pay would not be dependent on the particular assignment of a member of the corps. Presumably each member would be occupied with high-level work, but whether it was equivalent to GS-16 or GS-17 would become irrelevant.

2. Removal from the senior civil service would be only under exceptional circumstances after a hearing before a senior civil service board. This rule, however, would not imply any right to a particular assignment in any agency, nor would it suspend the normal provisions for removal for cause. Departments would remain free to assign and reassign their senior personnel, to lay off redundant officers, and even to refuse further employment. In the last case, failing employment in another agency, the individual might be ruled ineligible by the senior civil service board for further membership in this group. All members would be subject to periodic review and to a "selection-out" process that would restore an unsatisfactory senior executive to the normal classification status, subject to normal agency standards for demotion or removal.

3. Members of the senior civil service could be shifted with relative freedom from one assignment to another; they are by definition suited for varied executive tasks; they could be

asked to serve at headquarters, in the field, or overseas.

4. An additional corollary related to the foregoing would be an obligation to serve where needed most. This corresponds to the armed forces tradition, but without the connotation of a customary four-year tour of duty in a given assignment. Members of the senior civil service would presumably be particularly useful as "trouble-shooters," taking over difficult posts where incompetence had resulted in temporary breakdowns. They would be equally valuable for long-term duty as division or bureau chiefs.

5. Political neutrality would be essential. "Senior civil servants as a group should be fully prepared to serve faithfully each administration that takes office. This means that they must avoid such emotional attachment to the policies of any administration that they cannot accept change." (p. 52) The task force was emphatic on this aspect of their proposal: A senior civil servant should make no public or private statements to the press except of a purely factual nature; he should make no public speeches of a political character and should not contribute to campaign funds; he should avoid testimony before congressional committees except to provide factual material and technical advice, while resolutely and firmly declining to give his personal views.

6. Salaries should be improved. The task force recommended a salary range from the present GS-15 (\$10,800 to \$11,800) rising to that of an undersecretary (at present \$17,500).

The senior civil service, in short, is a natural outgrowth of recent trends and of long discussion. It is a plan to make the most effective use of the best executive talent in the whole federal service. It is designed to command the respect of both political parties and in turn, to serve each of them, with equal loyalty and devotion. It is intended to ensure a steady supply of tested high-quality professional administrative personnel to work with and under the direction of the top political command. It provides a corps of men and women who can be assigned flexibly to different posts as needs may dictate. It might easily have a substantial influence in raising the prestige and drawing power of the federal service.

#### *Schedule C and the Senior Civil Service*

SCHEDULE C was originated in 1953 to permit employment outside the civil service system of persons occupying positions of a policy determining or confidential character. Something over 1,000 such positions have been authorized by the United States Civil Service Commission, ranging from bureau chiefs to personal chauffeurs of department heads; they include a number of division heads. Where to draw the line between the political top command and the permanent career service is a perennial problem for which Schedule C gave a merely provisional answer. The task force on personnel and civil service sought to lay down the principles on which a relatively definitive solution might be discovered.

Three criteria were developed by the task force and accepted by the Hoover Commission<sup>6</sup> to identify positions properly belonging in the political category. (1) *Responsibility and authority*. The possession of direct statutory authority normally puts an official in the political executive class. (2) *Policy control*. If an official is authorized to make final decisions as to objectives or to state the principles to control action toward objectives, he is engaged in work of a political executive. (3) *Public political activity*. An official whose duties require him to act publicly in advocating new policies and in justifying or defending the governing policies is also properly a political executive. These propositions form a more precise and sophisticated formula than the vague criterion hitherto employed—policy-determining positions.

Applying these tests, the task force concluded that the line between the political executive and the career executive should be drawn between the departmental and the bureau levels of management. Political responsibility and authority can focus only at one level, properly the departmental or agency level. If such authority were fixed at the bureau level, it would give the President about 350 political line subordinates and would tend to reduce the departmental executives to figureheads. The first Hoover Commission protested effectively

<sup>6</sup> Commission on Organization of the Executive Branch of the Government, *Personnel and Civil Service, A Report to the Congress* (U.S. Government Printing Office, 1955), p. 31.

against such a situation. The departmental level is the level of control, the policy level, and the political level.<sup>7</sup>

At the bureau level, management requirements and functions are heavily technical and administrative in character. The main outlines of bureau programs are defined and made mandatory by law, appropriations, and departmental policy; the task of the bureau is to maintain operations, often extensive, within these limits. Most of these programs are nonpartisan in nature and beyond the range of partisan dispute. The special interests concerned with each of them are normally bipartisan in character. The prime prerequisite for bureau chiefs is therefore managerial skill, not policy involvement.

The task force recognized that, for historical reasons, some bureau chiefs are nevertheless involved in policy and that a considerable number are selected for political reasons. The task force recommended that over a period of years the political activities of bureau chiefs be reallocated to their political superiors (assistant secretaries) and that, conversely, the day-by-day management operations be delegated to the bureau chiefs.

The task force was led by these considerations to propose a new solution of the problem envisaged by Schedule C. Six types of positions were identified as belonging properly in the political executive group: heads and deputy heads of departments and agencies; assistant secretaries and assistant heads of agencies; departmental solicitors or general counsels; heads of departmental staff offices concerned with policy; heads of departmental information offices; and political aides and assistants to political executives. The task force estimated that there were in 1954 about 750 such positions. It suggested that more might be needed.

To the permanent career service were assigned the assistant secretaries for administration and equivalent positions, an office recommended by the first Hoover Commission; the bureau level executives as a group; the division chiefs; the heads of the auxiliary services; deputy heads and other members of substantive staff offices; heads of the regional or district

field offices; and professional (career) aides and assistants. The task force estimated about 4,000 persons in these types of positions. Most of the proposed senior civil service would be drawn from among this body of executives, but the two categories are not identical.

The Hoover Commission accepted this line of reasoning. The precise language of its recommendation follows.

We recommend that the President designate the positions which should be in the noncareer category and that he use the following criteria to determine positions which should be in this category:

- (a) All positions filled by Presidential appointment, with or without confirmation by the Senate;
- (b) All positions having vested in them statutory authority or executive delegations of authority requiring the incumbents to make final decisions in the establishment of governing policies, programs, objectives, and in the enunciation of principles which will control the action of subordinates in the implementation of the foregoing;
- (c) All positions, the duties of which require the incumbents to act publicly in advocating new policies and in justifying or defending the governing policies or the basic principles or philosophy which controls their department or agency policies. Such duties would include direct participation with, or representation of noncareer executives in public debate, evaluative discussions, and justifications of departmental policies, programs, or activities.
- (d) Most positions of a personal and confidential nature, such as personal aides, confidential secretaries, and personal chauffeurs. (pp. 31-32)

Untangling political and management functions in the borderland zone between the top command and the career service will not be the work of a day or a year. Some bureau and division chiefs have long played on both sides of the street and will be reluctant to forego activities that may seem vital to the success of their units. Perhaps no administration will be willing to release its political strings on some bureau or division chiefs. The Hoover Commission does not ask release of political control, but merely a reallocation of its site in the administrative structure. Logic is on the side of the Hoover Commission, and the dual interests of political control and administrative management would be well served by the progressive application of the new standards.

<sup>7</sup> Cf. Herbert Emmerich and G. Lysle Beisley, "The Federal Career Service—What Next?" 14 *Public Administration Review* 1-12 (1954).

*Two Corollaries*

THE task force on personnel and civil service drew two corollaries from the foregoing analysis: (1) that attention was needed to build up a more effective political top command; (2) that executive training programs on a much larger scale and at a higher level were urgently required.

A unique contribution of the task force was its recognition that a senior civil service would need to be matched by an able political top command, and that systematic efforts would be required to build the latter as well as the former. "The political executives who are the immediate subordinates of the President, and their political associates in the top command of the departments and agencies, are the key groups in making representative government work within the executive branch," the task force declared. "They are the necessary expendables . . ." (p. 39) The combination of abilities required is relatively rare—both high-level executive ability and well-developed qualities of political leadership. These capacities have nowhere been systematically developed in American life.

Where, then, do the political executives come from? Partly they come from the patronage system, rarely are they people with congressional experience, occasionally they have been state or big city executives, most commonly they are from private life—the realm of business, the professions, education, and quasi-public organizations. The task force urged that serious attention be given to the problem of recruiting and training younger persons for these positions, while recognizing the difficulties in taking an able man out of his business firm or profession for a couple of years, or even for six months.

A senior civil service can be maintained only by having available able and well-trained replacements. This need points directly to better executive training programs than are now generally available. The task force laid heavy emphasis upon in-service training at all levels.

. . . What is called executive development is really a harvesting of one important product—administrative ability—out of a total training program designed to promote the development of persons in many ways and in all ranks. In other words it

should be the function of the executive development program to develop administrative ability which is over and above professional, vocational or technical proficiency—the capacity to understand and direct the work of others, to accept responsibility, to exercise good judgment in making difficult decisions, and to give confidence to others in trying circumstances. (p. 67)

The task force recommended an executive development program in each department and agency, and an executive development panel in each major bureau; but it added that each agency had a responsibility for finding talent for the government as a whole.

These are perhaps the two principal corollaries of the basic recommendation for a senior civil service. There were others, notably better pay scales, simplification of the classification system, and the coordination of the several merit systems now in force in the federal government.

*Prospects*

THE Hoover Commission accepted the senior civil service concept substantially as it was developed by the task force on personnel and civil service. At this writing the plan is under study by the President's Advisory Committee on Government Organization, the Bureau of the Budget, and the various departments and agencies, as well as by other interested groups. The outcome of such study is unpredictable.

One fundamental condition will have to be met if the senior civil service becomes a viable reality. It will have to command the confidence of the leaders of the two major political parties. The confidence of one will not be enough. On this matter, also, one cannot speak with assurance, but there is reason for optimism. The political top command of any administration is now aware of the necessity for the highest quality of management, divorced from partisanship. Both parties have had experiences that would discourage them from leaning heavily on patronage sources to meet their needs. No political executive is saddled with any member of the senior civil service; members are transferable at will so that if any doubt of loyalty or competence should arise, it can be readily resolved. Franklin D. Roosevelt declared in 1937 that he needed help; the political high com-

mand in 1955 needs the kind of help that a nonpartisan, tested, flexible, and loyal administrative corps can provide.

The decision to proceed with a senior civil service will be taken by the highest levels of the political command and by Congress. It is not within the competence of the present career service. On the other hand, there should be a degree of support for the program in the present permanent executive corps and their views will properly be weighed in the ultimate decision. They should advise without reference to their own personal participation in such a corps. They are called on to consider an institutional arrangement designed for important public purposes, not to decide whether they as individuals would be willing to enter such a corps. In any event, no career man would be drafted into the senior civil service against his will or preference. The ultimate decision, it may be repeated, will be taken not by the career service but by the President and his advisers, and by Congress.

The decision is important. Two decades of drift and patchwork amidst foreign and domestic crises leave the United States government today with not much more than what barely sufficed in the 1930's so far as the administra-

tive corps is concerned. In the competition for executive talent government is outclassed by private enterprise and does not even take advantage of its own assets to build strength into high-level career echelons. The American people may be gratified with the quality of talent that serves them even under present conditions, but it cannot be content with the system that prevails for maintaining a high quality professional service. The time is overdue for new ideas and institutions.

Over a quarter century ago Graham Wallas wrote, ". . . Governments have come to be engaged not merely in preventing wrong things from being done, but in bringing it about that the right things shall be done. . . . A negative Government only requires courage and consistency in its officials; but a positive Government requires a constant supply of invention and suggestion. . . ."<sup>8</sup> This country is unlikely to have any other than a positive government for the foreseeable future. Its success depends not only on the wisdom of its political leaders but also on the integrity and skill of its career executives.

It depends also on the Fates.

<sup>8</sup> Graham Wallas, "Government," *6 Public Administration* 3 (1928).

#### Recruiting Problems in Great Britain

On September 7 the Civil Service Commissioners announced the results of their annual entrance examinations for the administrative class. For the first time in the history of the service there were fewer successful candidates than vacancies. . . . In 1955, . . . the Civil Service Commission advertised "about fifty" vacancies and was able to declare only 31 successful candidates.

. . . Nobody claims to know how this situation has come about. They are certain, however, that it is not a flash in the pan and that unless something is done about it the tendency will continue. Various causes are named by various sources, but two factors come top of everybody's lists—pay and the decline in the status of the civil servant.

. . . One way or another the fact that for most of the people who go into it, the administrative class of the Civil Service offers wide variety, scope, responsibility, and adventure, has become obscured not merely in the public mind but in the universities.

—"Civil Service Losing Fight for Recruits," *Manchester Guardian*, September 22, 1955, p. 2.

# Two Men and Two Institutions: The Lengthening Shadows of Samuel C. May And Emery E. Olson

By JOHN A. VIEG

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WHEN Californians modestly acquiesce in the estimate, slowly growing into a nationwide chorus, that they are generally the beneficiaries of a superior brand of public administration, altogether too many of them assume that this is simply a part of the natural order of things in the Golden State. But those who have followed with a careful eye the marked and unusually steady improvement in the public services of this commonwealth during the past generation know that much, if not most, of the credit must go to a relatively small group of educators, administrators, and elective public officials who in the 1920's caught the vision of a more efficiently managed and socially responsible kind of government and dedicated their lives to bringing it into reality.

It has been the privilege of our guild, both in Northern and Southern California, to participate this year in a series of tributes to two men whose contributions toward this goal have not been exceeded by any other two individuals in the state. They are Samuel C. May, who has just retired as director of the Bureau of Public Administration at the University of California in Berkeley, and Emery E. Olson, who marked his retirement from the deanship of the School of Public Administration at the University of Southern California in 1953 by

NOTE: Mr. May died in New York City, September 30, of a heart attack, as he and Mrs. May were about to sail for Italy, to establish an institute of public administration at Bologna under the auspices of the International Cooperation Administration. This article was planned and written before Mr. May's untimely death.

reentering the field of business administration. If there is truth in the saying that an institution is the lengthened shadow of a man, Berkeley's Bureau of Public Administration may fairly be described as the long and massive shadow of Sam May and USC's School of Public Administration, now under the imaginative leadership of Henry Reining, Jr., the long and lengthening shadow of Emery E. Olson (and, as he would be the first to assert, of his steadfast teammate, John M. Pfiffner). It is the coincidence of the twenty-fifth anniversary of the school and of Mr. May's retirement—the bureau dates back to 1922—that furnishes the occasion for this note of recognition.

#### *May's Passion for Public Service*

BEYOND all question the thing which most distinguished Professor May's career (and the ideal to which he tried to dedicate the Bureau) was a blazing zeal for public administration in the public interest. It puts no strain upon the words to say that he had a genuine passion for effective performance of the manifold services rendered by modern democratic government. The secret of his success as an educator lay in the infectious quality of that concern—and in the friendship and devotion he showed toward his students and staff, not only while they were on the campus but equally in later years when they might need his support in seeking professional advancement. Generation after generation of young men and women who studied or worked under him have left the university destined forever after to be conscience-stricken if not actively engaged in the

battle against civic sloth and administrative indolence.

After winning an LL.D. at Yale in 1912, May practiced law for four years and then served in World War I. Following the war he earned an M.A. at Columbia and shortly thereafter came to the University of California as a member of the Department of Political Science. The Bureau of Public Administration was founded in 1922 and has grown continuously since that date, but it was not until the 1930's that funds became available for anything resembling the scale of operations which has marked its program during the last twenty-five years.

May was the first and, to this writing, has been the only director of the bureau. Though its budget and prestige reached in due course a stage which might have tempted him to "cut loose" from the Department of Political Science, he never made any attempt to do so. Throughout his whole career he held to the conviction that public administration is a phase of political science and that the unity of the parent discipline should not be vitiated by fragmentation. In the sense of formal teaching, education for public administration at Berkeley has accordingly remained the province of the Department of Political Science. The bureau has rendered its great services in other ways. It has built up what may well be, as of today, the largest and most carefully catalogued specialized public administration library in the world. Since 1934 its staff has prepared, either at the request of the Legislature or on its own initiative, over 600 reports on policy and administrative problems confronting the state. In the years since World War II it published for a time the bulletin, *Post-war California*, but then expanded it into the compendious and widely circulated monthly, the *California Public Survey*. Hundreds of public officials now depend upon this welcome publication to keep themselves abreast of current developments in government—not only within the state but throughout the country.

Professor May's unceasing concern for better government led him, while at Berkeley, to accept frequent assignments beyond the campus. For fifteen years, from 1925 to 1940, he served as director of research for the Commonwealth Club of California. Instrumental in the formation of the Western Governmental Research

Association, he was its executive secretary from 1937 to 1940 and its president during the year 1947-48. From 1939 to 1943 he was chairman of the California State Planning Board and from 1940 until his retirement he served as a member of the Personnel Board of the city of Berkeley.

#### *Olson—Champion of Scientific Management*

EMERY OLSON's inspiration for a School of Public Administration at the University of Southern California seems to have come from his early experience in business and as a teacher in its College of Commerce. Impressed with the performance records made by private industry through application of the principles of scientific management, he took the idea and the precedent of a week-long summer program of refresher courses for governmental employees (which the university had initiated in 1928 at the request of a group of city managers) and laid the foundations for what has since become the largest school of its kind in the United States. Blessed with unusual talent for organization and promotion, Olson surveyed the resources of the university and the needs of governmental agencies in the flourishing Los Angeles area and drew up a prospectus for a School of Citizenship and Public Administration which was approved by the Board of Trustees on February 28, 1929.

With only the pioneering efforts of the Maxwell School at Syracuse University to furnish practical guidance, the leaders in this new venture formulated a number of key policies, most of which have prevailed down to the present day. The curriculum was to embody primarily the management, rather than the policy, approach to public administration. Instruction was to be conducted on a residential, rather than an extension, basis but classes for students already in government service were to be scheduled at times geared to their working hours, a matter particularly important for police and fire department employees. The number of courses to be provided should be large enough, both on the campus and at the Civic Center downtown, to enable serious students to earn both the Bachelor's and Master's degrees. Instruction would be given with respect to line functions, such as policing, fire protection,

public works, and water supply, quite as much as in the case of staff services. Individuals not in a position to enter upon a degree program would be encouraged through shorter study to qualify for a certificate in public administration. Faculty members, both part-time and full-time, would belong to the regular university faculty and standards of scholarship would be on a par with those prevailing elsewhere within the university.

These decisions convey some notion of the philosophy with which the school began. What of its achievements during its first quarter century? Of the several thousand individuals who have been enrolled for formal instruction, 432 had by 1955 earned the Bachelor's degree, 161 the Master's, and 4 the doctorate in public administration which the school was authorized to confer approximately five years ago. In addition, 204 have won certificates representing two years of specialized college work. Apart from these regular students, over 10,000 government employees participated in one or more of the one-week Institutes of Government which were held annually from 1928 to 1941.

Currently the school's enrollment consists of some 100 juniors and seniors and 60 graduate students majoring in public administration on the main campus and approximately 1,200 men and women taking courses offered at the Civic Center. The professional training program offered downtown during the fall of 1955 includes, in public administration per se, six courses classified as general, four in organization and management, four in personnel, one in financial administration, three in employment security administration, one in planning, five in fire administration, and seventeen in law enforcement. Supplementing these are two in accounting, nine in engineering, one in English, three in general education, one in geography, two in mathematics, three in psychology, two in sociology, and one in speech.

Mention must also be made of several other accomplishments. The school has established a Delinquency Control Institute through which it offers two or three times each year a 12-week training program for police officers handling juvenile delinquents. Through an

Office for Research in Organization Effectiveness it is exploring, on an interdisciplinary basis combining psychology, sociology, and public administration, the vital problem of how to adapt the organization of men and facilities to the purposes they are intended to serve. Finally, through an International Public Administration Center it has conducted foreign training programs for improvement of public administration in Brazil, Turkey, Iran, and Puerto Rico.

Thus the idea promoted by Dean Olson at the end of the 1920's has borne rich fruit. And while the institution he founded was growing with the metropolitan area it was designed to serve, Olson himself contributed directly to the improvement of administration by accepting from Mayor Fletcher Bowron the presidency of the Los Angeles City Civil Service Commission under his reform administration and later, from Governor Earl Warren, a position on the State Personnel Board.

Professor May's Bureau and Dean Olson's School have not been the only forces working for the advancement of the art, science, and processes of public administration in California during the past generation but none have been more influential. The standards, facilities, and personnel which are to be found in the public services of this state today are markedly higher than those of the pre-Depression period, and these two institutions have played a crucial and a steady role in the winning of these civic gains. Californians have a state civil service firmly based on merit. They have a municipal league which could safely be taken as a model by the cities of other states. They enjoy a measure of home rule practically unknown elsewhere in the country. And they have arrived at such an appreciation of the importance of good management that they have over 125 cities (and several counties) operating under the council-manager plan. Individualities may form communities, as Disraeli said, but it is institutions alone that can create a nation or a state. The institutions which Sam May and Emery Olson have done so much to build have become two of the greatest civic assets of the commonwealth of California.

# Experiences in Public Administration

By LYNDALL URWICK

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M R. PRESIDENT, Ladies and Gentlemen, I think I have given one talk a day since I have been in Minnesota, and my inspiration is beginning to run a little dry. So, if I don't amuse you, just rattle your cups, say "sit down," or something like that.

## I

I MUST say, at the outset, that after the first, my subsequent relationships with the field of public administration have been almost consistently unfortunate.

My first connection with public administration was a little affair between 1914 and 1918 when I was in uniform. The last two years of that period I spent as a staff officer, what you would call here, in American Army parlance, G-I: I was the staff officer in a British division dealing with personnel. I think I learned something about public administration in that period. The most important lesson was that paper is not of primary importance.

We realized pretty clearly, I think, that while you have to keep your records, nothing worth while ever happens because of something somebody wrote on a piece of paper. Don't think I am minimizing the importance of the paper; I am not. Men die, they died rather persistently in those times; they also lie. For both these reasons you have to have the record. But, we did learn then that the records are secondary, that the real job is always done by two fellows who call each other by their Christian names and trust each other. To interfere with this process just to get the record right is to put the cart before the horse.

I admit that to put that point over to public

NOTE: Summary of an address before the Minnesota Chapter, American Society for Public Administration, May 8, 1955.

servants in peacetime is a pretty difficult proposition, because they live in and with and by a great deal of paper. Much of their intercommunication takes place in writing. That, however, doesn't alter the fact, of which I am personally convinced, that we shall never have a first-class system of administration in any human enterprise until people realize that records, though essential, are secondary. You must first have people who trust each other, meet each other, consult and act by word of mouth.

We used to have a motto in my division which we learned from experience. Toward the end of the war we had some staff officers who had had no experience with paper at all. They had been passed to a division after being a good staff officer with some fighting brigade. They used to say, "Oh damn this beastly paper; I want to go and see the troops!" So they used to write "Passed to you for necessary action, please," on every letter and merely shove it along to the battalions in the line. Of course, that only swelled the flood of paper. So we had the motto typed out and put up in the office—"Damning the office work only increases the stream."

The way to cut your paper down is not to "damn the office work." The way to cut your paper down is to do the office work properly, to simplify it to the last possible degree. The more that people in the higher echelons think, "What can I do to reduce the paper for the fellow down the line?" the more smoothly will administration work. What is more, the paper will be accurate. One of the curious effects, in those days, of simplifying the paper work was that at first it almost started a mutiny. When units were rendering seventy reports and returns a month, nobody at divisional headquarters had any time to determine whether they

were accurate. When we cut them down to seven reports a month, divisional headquarters was able to check one report against another. If a unit asked one department for rations for 700 men and told another that it could find only 350 men for a working party, questions were asked. At first, units very much resented this. But when they discovered how much less paper work they had to do, they were grateful.

## II

**M**Y NEXT experience was not nearly so fortunate. I went back into civil life and into business. I became a young executive with Rowntree and Company, Ltd., who are confectionary manufacturers in York in the north of England. They were at that time the proving ground for management ideas in Great Britain. Seebohm Rowntree himself was a kind of Harry Dennison, one of the earliest employers in Great Britain who really grasped the fact that scientific management meant something. He was a man with a tremendous sense of social responsibility. He was determined to try to make industry and business a place in which all might find an opportunity to lead the good life.

The British Institute of Public Administration had just been set up and everybody was extremely interested in the subject of promotion. They determined to have a week-end conference on the subject and asked me to say something about "Promotion in Industry." Looking for a crack to lighten up the opening of my paper, I found an American book which said that the only principle of promotion the author had been able to discover in British industry was, "myself, my father, my son, and my wife's sister's nephew."

I quoted this statement, emphasizing carefully as I thought, that this was "one of those Americans having his fun about Great Britain." Well, as you may know, over the week ends in Great Britain the press is sometimes rather hard put to it to fill its columns. When I got back to York on Monday morning, I found that the atmosphere was about 32° below. I couldn't make out what I had done until one of my friends drew my attention to a Sunday paper. There it was in banner headlines, "*British industrial expert says the only principle of promotion in British industry is Myself, My Father, My Son, and My Wife's Sister's Nephew.*"

*Father, My Son, and My Wife's Sister's Nephew.*" And there I was, a junior executive back in the bosom of the family business with three brothers on the board and six sons waiting to get there. It took me about three months to live that one down!

## III

I REMAINED for quite a number of years in private industry and then I was made director of the International Management Institute at Geneva. It was a quasi-private institution, so that there were no pensions and no promise for the future, but most of its employees were officials and its budget was passed by the budget committee of the then League of Nations. When my French friends asked me what my job was I used to reply "Monsieur, je sais un fonctionnaire du demi-monde." I had to go through all the motions as though I were a public official while enjoying none of the advantages, so I really did belong to two worlds and got the worst half of both. I had an extremely interesting time.

It is perhaps worth noting that in experimenting again with an international organization, the United Nations, there was an almost adamant refusal to make any use of the experience gathered with the first League of Nations. I think this was partly because the United States had not been associated with the League of Nations. They assumed that all that had been done was nonsense and that, therefore, we had better start all over again and forget all about our previous experience with the League.

To me, looking back, that seems quite ridiculous. That body of officials did gather a great deal of experience about how to run an international organization, an international civil service. I feel personally that the major difficulty with all efforts such as the old League or the United Nations is that the officials of the international organization inevitably get to know so much more about the game than their masters, the delegates of the different nations who come there. We seem to have learned something on this point. The delegations to the United Nations tend to be much more permanent. The delegations to the old League were always heterogeneous bodies of politicians sent out *ad hoc* to attend some particular meeting. There were tremendous differences in the

knowledge and skill of the individuals sent by the different nations that met at Geneva;

#### IV

**A**FTER that experience I started private practice as a management consultant and had about five years of it before the Second World War came.

A year after war broke out I accepted an offer to act as consultant on organization to Her (then His) Majesty's Government. I served for two years with the British Treasury. The British Treasury is an extremely powerful body. It is also a body whose organizational position it is almost impossible to explain to anybody who hasn't been born into it. No one has ever defined who runs the machinery of government in Great Britain. The Prime Minister, as the First Lord of the Treasury, has, probably, the final say. The Chancellor of the Exchequer, being in charge of the Treasury as a department, has a considerable part to play. The Financial Secretary to the Treasury, a political appointee, but not a member of the Cabinet, is probably the person on the political side who devotes most time to it. The Head of the Civil Service, who is a permanent official employed in the Treasury to look after civil service establishment matters, gives it full professional attention. But nobody knows when the Head of the Civil Service refers to the Prime Minister and to the Chancellor of the Exchequer, or how things really get determined. Of course, we have a Civil Service Commission but they do the recruiting and the recruiting only.

The handling of personnel matters for our very large machinery of government is nominally in the hands of a committee, the Lords of the Treasury. As far as I have been able to discover this committee never meets; it is a vestigial anachronism. There were originally seven of "Their Lordships" but the salaries of four of their jobs were appropriated for the government whips in the House of Commons. These four are still nominally Lords of the Treasury, but they don't have anything to do with civil service business. Every important document which deals with the British civil service still starts with "Their Lordships desire me to call your attention to" or "Their Lordships direct," but who, in fact, "Their Lordships" are in any given case, some or none

of "Their Lordships" only know. Which of the politicians or officials has a finger in any particular pie is veiled in secrecy.

At the time when I joined we had what I think was called an Office Research Section of the Treasury. There had been a certain amount of pressure on the civil service to put in modern management methods. They had made some concessions by appointing an officer who was to see that some modern office machinery was used in some government departments. In looking for someone with experience in modern office machinery, they had found a fairly senior clerical officer of about fifty-six: he had been in the Patent Office, passing on patents for office machinery. They put him in the Treasury to encourage the departments to put in office machinery where it would effect economies. By the time I arrived there, early in the last war, he had absorbed so much of the Treasury atmosphere of control that the cases in which he encouraged the departments to put in a piece of modern office machinery were exceeded by the cases in which he discouraged them. He said it would cost too much, or that there was a cheaper way of doing the job, and so on. When the war came they decided to expand and recruited about half-a-dozen of us from the outside world. I never discovered on what principle. We were to reinforce the original chief, who by that time was approaching his retiring age and had one ambition, to reach his pension without serious disturbance.

Under the British constitutional principle that all departments are directly responsible to the House of Commons, the Treasury has no power to insist on its investigating officers being in a department. Its powers are strictly negative, never positive. After nearly three years of war, the Treasury did decide to form an Organization and Methods Division to get on with the job. But their power of criticism does not run much above the level of Assistant Secretary. I don't think the division would ever presume to comment on the functions of a Deputy Secretary, certainly not on the functions of a Permanent Undersecretary. They are doing a very useful job of improving methods, putting in modern machinery, studying procedures, etc., at the routine and lower executive levels. At the higher levels they are helpless.

When they formed the new division they

put in charge of it a friend of mine who is an excellent director of a firm which publishes business books but who would never in his life claim that he has any professional experience of putting in modern management methods. The amateur status of our higher civil service was neatly preserved.

## V

I WOULD like to add this. I have spent all my life on management. I did not have any education for it when I started, and it took me a long time to get one. But, I felt from the very first moment I ran into the subject that it was important. The democracies must learn to manage better the complex civilization which machines make mandatory—and this holds just as much for government as it does for business. You can't use machines without creating complex units of administration. Under the influence of two hundred years of mechanical development, our institutions are becoming more and more complex. I don't believe our civilization can endure and prosper unless at the same time we became cleverer and cleverer at how we manage these agglomerations of machines and the intricate social organization that results from them.

That is not a difficult concept. But if I am right, and I have believed all through my whole life that I am right on this point, this job in which we are all interested of studying management from our angle as public servants, from our angle as citizens, or from our angle as businessmen is the key to the evolution of an adaptive society. We can't rely any longer on having lots of time for people to accustom themselves to new conditions gradually and

slowly. We get more technical changes in one generation today than happened in a couple of centuries two or three hundred years ago. And technical change postulates social and organizational change.

This "living in a revolution" is setting all of us a very difficult problem. But this management study, this earnest striving together to make our administration more effective, is one of the keys, if not *the* key, to that problem and hence to the survival of the free peoples. Freedom is one of the ideals in which we all believe, and we are prepared to die for it if we can't have it to live with. That, you may say, is "calling one's hand a bit high." But I came to that conviction a great many years ago, when I was two or three and twenty, and all my life it has made my daily work more interesting.

The study of the procedures, the methods, and the organization—the details—often becomes exceedingly dull, if you see these things only as details which must be gotten through to earn a living. But I have seen also in that study a great potentiality for enlarging our grasp of how to manage this complex civilization of ours. This lit up all my work and gave me all through my life a happiness in work and an interest in work that I have enjoyed up to the hilt.

Well, I am sixty-four and I can wish no young man any better luck than I have had. May you all find, early in life, something in your work that will keep your minds alive—that, quite apart from any thought of rank or status or salary or office, is in itself intrinsically interesting. I believe management and the study of management holds that promise for everybody who will apply himself to it.

# Annexation: Virginia's Not-So-Judicial System

By CHESTER W. BAIN

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ONE of the most acute problems facing most municipalities today is the need to accommodate the growth and development that has taken place outside their corporate limits. In the search for means to meet this too long neglected problem, the so-called "Virginia plan of annexation" has not remained unnoticed. For many, however, the virtue of the Virginia plan lies in a single explanation—it has worked for the cities! Factually this is correct. Out of a total of 66 proceedings to extend city boundaries that were heard on their merits between 1905 and the end of 1954, there were only 4 in which the city was denied all the territory it sought. This impressive success of the Virginia cities may have misled some into believing that using the judicial process for extending municipal boundaries is the magic key to the problem of metropolitan integration. Fifty years of experience with this procedure, however, indicates that the plan is not strictly judicial in nature and that a number of factors should be considered before the final blessings are conferred.

## I

THE extension of city boundaries in most states does not result in a general dislocation of the state's primary, political subdivisions. Following the extension of a city's boundaries, the county, or other primary subdivision, continues to perform within the area annexed the same services and functions that it provided prior to annexation. County officials have the same authority within the annexed territory, as well as in the whole of the annexing city, as they previously possessed. The county loses no area, population, or taxable values; the property annexed remains subject to county taxation for general county pur-

poses. Where city-county separation is not observed, the extension of a city's boundaries results in the imposition of an additional layer of government upon the area annexed but does not cause a diminution of the basic functions the county is required to perform as a primary, political subdivision of the state.

An entirely different situation is presented when the boundaries of a Virginia city are extended. In Virginia, cities are independent of the jurisdiction of the county or counties in which they are geographically situated, and the extension of a city's boundaries legally transfers the territory affected from one political jurisdiction to another with the result that the county loses, at the city's gain, a portion of its area, population, and taxable values. Moreover, when the annexation becomes effective, responsibility for providing all governmental services and functions, including those formerly supplied by the county, falls to the city. County officials no longer have jurisdiction within the annexed area, but the city, through its own instrumentalities, serves as a distinct primary, political subdivision for carrying out the policies of the state at the local level in addition to providing those functions that are municipal in character. The Virginia independent city is, in effect, a "city-county," or, as it is classified in English local government, a "county borough."

It requires no considerable amount of imagination to realize that under the Virginia practice of city-county separation an attempt by a city to extend its boundaries may easily result in a conflict of interest among the city, the county, and the residents of the area proposed to be annexed. On the one hand is the city's desire to grow in area and to acquire the additional tax values located outside its bounda-

ries. The officials of most cities take the position that the fringe area residents should be brought into the city and made to contribute directly to the cost of the municipal services they enjoy when they enter the city to work or to play. It is also asserted that services of an areawide nature should be planned and administered under a single governmental unit and that the city can best arrange and provide these services. The county, however, is bitterly opposed to losing its area, population, and taxable values, unless the territory to be annexed is such a financial burden that the county is willing to have the city take it over.

Caught between the interests of the city and the county are the residents of the fringe area. As fringe areas develop, the residents require new services and facilities that are not urgent or are even unnecessary in a rural environment. Although a county can, and frequently does, provide some of the services required by areas that are approaching urban concentration, it frequently is unable, or unwilling, to provide the additional services required or desired in thickly populated areas around a city but not on a countywide basis. If the adjacent city can be prevailed upon to furnish these services, few of the fringe area residents are interested in being brought into the city. But cities are usually unwilling, even if able, to furnish municipal services outside their corporate limits. In these circumstances, many fringe area residents may be willing, and may even actively seek, to be brought into the city.

The decision involved in the extension of a city's boundaries where city-county separation is practiced therefore involves a three-way conflict of interests that can present myriad combinations. In no two proceedings are the local conditions exactly the same. At times there may be substantial agreement among all parties as to the need for annexation. At other times a proposed extension of a city's boundaries will be opposed both by the county and by the residents of the area proposed to be annexed. Between these two extremes there can arise every conceivable combination of favorable and unfavorable opinions. This great diversity of situations focuses attention on the real issue in the annexation question—who should decide when a particular area should

be under city government and when it should be under county government? The crux of the question is whether there should be a procedure whereby areas cannot be annexed without the assent of the parties to the proceeding or whether the final determination should rest with an impartial, outside party. For fifty years Virginia has utilized the second alternative.

## II

PRIOR to the adoption of the Constitution of 1902, the boundaries of Virginia municipalities were contracted and extended by special acts of the General Assembly. For reasons which were not made known to posterity, the members of the convention that framed this Constitution prohibited the General Assembly from passing special acts for such purposes and required "general laws for the extension and contraction from time to time, of the corporate limits of cities and towns." (sec. 126) Apparently without even passing consideration, there was framed a constitutional provision which has resulted in a half-century of judicial and legislative conflict between the cities and counties of the commonwealth.

If no controversy over the method of extending municipal boundaries disrupted the convention of 1901-02, the same certainly cannot be said of the legislative attempts to formulate a new statewide policy with respect to annexation. The discharge of this responsibility embroiled the members of the General Assembly in months of debate over the same issue that has plagued the Virginia procedure down to the present day—whether the question of the extension of a municipality's boundaries should be determined through a judicial proceeding or by the people of the annexation area voting in a referendum. Although it is not certain from where the idea was obtained, the use of the judicial process finally won out over the political. The interesting point, however, is that despite the sharp division in the legislature, the disagreement was not over the *propriety* of using a judicial process, but over which of the two methods should be adopted.

The position of those who advocated the determination of annexation proceedings by litigation before a court of law was affirmed by the Virginia Supreme Court of Appeals in 1906 in

a sweeping decision that settled once and for all the question of the constitutionality of vesting in the judicial branch what had theretofore been considered a legislative function. The case centered in an appeal from an action by the city of Richmond to annex part of the county of Henrico. To a point, the positions of the city and the county were not antithetical. Both parties agreed in principle that legislative functions could not be delegated to a court of law but that a court could be authorized to put a statute into operation upon the judicial determination of certain facts. The county steadfastly maintained that the powers delegated were legislative, on the ground that the authority vested in the annexation courts to alter the boundaries of the area to be annexed and the terms and conditions upon which the city proposed to annex the territory gave the courts as much discretion as was possessed by the legislative body. The city maintained that the statute merely permitted the courts to determine on the basis of specified statutory requirements, admittedly somewhat vague, whether certain conditions existed in order for the statute to go into effect. The appellate court, by a four to one decision, accepted the city's position.

A majority of the Supreme Court of Appeals took the position that governments could not possibly work under such a rigid interpretation of the doctrine of the separation of powers as that insisted upon by the county and that the courts and the legislative body had in practice consistently refused to adhere to such an inflexible interpretation. Dismissing a long line of authorities from other states cited by counsel for the county, the majority insisted that annexation proceedings under the statute were in the highest sense litigation and that an annexation court is not called upon by the statute to express an opinion as to the wisdom of the move as a matter of public policy. Annexation courts, the majority concluded, have "only to determine, upon the evidence adduced, the rights of opposing parties in the particular case before it; whether, upon the facts and circumstances established by the evidence, the city is entitled to any extension at all, and if any, how much, and the terms and conditions upon which such extension shall

be granted."<sup>1</sup> The dissenting justice insisted, however, that the statute vested in the annexation courts a function that was legislative in nature. Although the fundamental principles of the statute have remained unchanged in the intervening years, the majority opinion has never again been seriously challenged.

### III

PROCEEDINGS TO extend a city's boundaries may be initiated by a variety of methods. A city may not annex all or part of another city but may bring action to annex unincorporated territory or an incorporated town, which under the Virginia practice of city-county separation remains a part of the county, by passing an ordinance setting forth a description of the area to be annexed, the "necessity and expediency" of the proposed annexation, and the terms and conditions upon which annexation is to be made. Although initiation by the city has been the principal method used in the past, annexation proceedings may also be instigated by petition of 51 per cent of the voters of an area who desire to be annexed to an adjacent city; by a resolution passed by the governing body of a county requesting that certain areas be annexed to a city; or by a resolution passed by the governing body of a town which desires to be annexed to an adjacent city. Irrespective of which party takes the initiative, the action is filed with the circuit court of the county in which the largest portion of the territory to be annexed is located and is heard by a specially constituted annexation court, consisting of the judge of the county from which the territory is to be annexed and two judges of judicial circuits remote from the area designated by the Chief Justice of the Virginia Supreme Court of Appeals. In almost every proceeding, the major controversy is between the city and the county as official bodies, but any individual or groups of individuals who can show an interest in the action may come forward and be made parties defendant or plaintiff and be represented by counsel.

The great statutory guide for the annexation courts during the years that the extension of Virginia municipal boundaries has been de-

<sup>1</sup> *Henrico County v. City of Richmond*, 106 Va. 300 (1906).

termined by the judicial process has been the "necessity for and expediency of annexation." If a majority of the court is satisfied that the proposed extension is "necessary and expedient," it must grant the extension, although in so doing it may add to or deduct from the area requested and alter the terms and conditions upon which the city proposes to make the annexation. This guide was established by the General Assembly in the basic statute enacted in 1904; it remained substantially unchanged until 1948 when the highly unilluminating qualification was added that in determining annexation proceedings the courts must consider "the best interests of the county, the city and the best interests, services to be rendered and needs of the area proposed to be annexed and the best interests of the remaining portion of the county." While this phrase, which was repeated at four different points in the statute, may have been intended as an amplification of the general standards of necessity and expediency, it has had no discernible effect on the annexation courts' determinations, and in all proceedings decided since the enactment the attitude has prevailed that the Legislature merely added to the statute what the courts had already been following as a judicial maxim.

In the exercise of the function vested in them, the annexation courts have consistently clung to the principle that it is incumbent upon the city to establish by a preponderance of the evidence the necessity for and expediency of extending its boundaries. Although both opposed and unopposed proceedings require extensive preparations, the degree of effort required at the hearing to meet this burden depends upon the intensity of the opposition presented by the county and any intervenors who are made parties to the proceeding. Where the proposed extension is unopposed, the city can quickly submit sufficient evidence to satisfy the court that its boundaries should be extended. If this evidence is uncontradicted, the court normally has little alternative except to grant at least part of the territory requested. Where a proposed extension is vigorously opposed, however, a different situation arises. Here the city will have a much more difficult task proving the necessity for and expediency

of annexation, and, as a result, the length of the hearing, the number of exhibits, and the number of witnesses will be greatly increased. The significant point, however, is that the burden of proof rests on the city.

During the years annexation has been determined by the judicial process, the courts have never set forth exactly what is required to show the "necessity for and expediency of annexation." The closest thing to a statement of what is required was given by the Virginia Supreme Court of Appeals in *Henrico County v. City of Richmond*, the first case appealed under the 1904 statute. The primary question before the appellate court was the constitutionality of the statute, but the court in passing upon this point also stated:

The necessity for or expediency of enlargements [of the boundaries of a city] is determined by the health of the community, its size, its crowded conditions, its past growth, and the need in the reasonably near future for development and expansion. These are matters of fact, and when they so exist as to satisfy the judicial mind of the necessity for or expediency of annexation, then, in accordance with the provisions of the act, the same must be declared.<sup>2</sup>

In only one other case has the Supreme Court of Appeals given what might be called a definition of "necessity" or "expediency." Here the court asked:

Is the annexation "expedient" within the meaning of the statute? That is—as we interpret the word—is it advantageous and in furtherance of the aforesaid policy of the State with respect to annexation? [namely], placing urban areas under city government and keeping rural areas under county government.<sup>3</sup>

While the courts have never set forth exactly what constitutes the necessity for and expediency of a proposed extension, there has been built up through the years a very definite pattern of factors that are considered in all annexation proceedings, whether opposed or unopposed. It has involved an elaboration upon and a development of the factors specified in the above quoted statement from the majority opinion in *Henrico County v. City of Rich-*

<sup>2</sup> 106 Va. 294-295 (1906).

<sup>3</sup> *County of Norfolk v. Portsmouth*, 186 Va. 1015-46 (1947).

mond. Although the elements identified by the Supreme Court of Appeals in this opinion were evident in the subsequent proceedings from which there were no appeals, their most significant elaboration was by the Court of Appeals itself in the case of *Alexandria v. Alexandria County*, decided in 1915.<sup>4</sup> In this proceeding the city of Alexandria sought to annex territory situated in the counties of Alexandria and Fairfax. The annexation court denied the petition "solely upon the ground that the proof did not show that it was necessary or expedient to annex the territory described in the ordinance, or any part thereof." The Supreme Court of Appeals, examining the evidence introduced before the lower court in the light of the factors referred to in *Henrico County v. City of Richmond*, reversed on the ground that the evidence clearly showed that the annexation of some territory was necessary and expedient. All subsequent proceedings and decisions, whether opposed or unopposed, have built upon and elaborated, with certain modifications necessitated by changing conditions and minor statutory amendments, the principles laid down earlier and applied in the *Alexandria* case. At present, these factors fall into four general categories, each of which is briefly summarized in the remaining portion of this section.

One of the principal factors and usually the first to be stressed at the hearing on the necessity and expediency of a proposed annexation, is the city's claim for additional territory in order that it may grow and develop. The city introduces evidence to support its position that it lacks suitable industrial and residential building sites and that this lack has forced many residents to go beyond the city limits in order to meet their needs. The city further contends that these fringe area residents are really part of the city and that its boundaries should be extended to include the built-up areas in which they reside. Counsel for the county, if the proposed extension is opposed, introduces evidence designed to show that there is still vacant land within the limits of the city and that it is not necessary to take the county's territory. The argument is also made that the people in the fringe area went there to escape

city taxes and regulations and to enjoy country living and the benefits of lower county tax rates.

The procedure by which evidence is submitted to show an annexation court the city's need for additional territory is one of the most elaborate and highly specialized phases of the annexation hearing. In the earlier proceedings, the evidence was usually confined to the oral testimony of witnesses, who related their personal observations about conditions in various sections of the city and why people had found it necessary to go outside the city's limits in order to find suitable building places. Counsel for the county would subject the city's witnesses to close cross-examination and also present a number of witnesses in an attempt to show that there really was no lack of undeveloped land within the city and that the city consequently did not need the additional territory requested.

The procedure today is quite different. Instead of the oral testimony by individual witnesses based on their personal observations, evidence on the need for additional territory is introduced by means of specially prepared maps and charts, which are usually interpreted and explained by expert planning and engineering consultants. Two types of data—population and land use—are introduced. The population data consist of the population trends and densities of the city and of the area sought to be annexed, and show their relationship to the remainder of the county, other cities of the state, and the state itself and make such other comparisons as may seem appropriate. The population trends are intended to show that the area is not stagnant, but is still growing and developing. Population densities are given to show that the city is becoming "filled up" and has reached the point where it cannot continue to develop without additional territory. The land use data are designed to show that there exists very little, if any, vacant land within the city and that the city needs more area for its growth and development. This effort on the part of the city to convince the annexation court of its need for additional territory is met by an equally concerted effort on the part of the county to refute the evidence and to show

\* 117 Va. 230 (1915).

the court that the city does not need additional territory.

As might easily be imagined, a considerable portion of the hearing in any annexation proceeding is devoted to the presentation of evidence on the annexation area's need for services not being supplied by the county, the types and quality of services that the city would provide in the event of annexation, and a comparison of the services that will be provided by the city with those currently provided by the county. Evidence on these points usually consists of the direct examination of various city officials and the introduction of exhibits consisting of organization charts, budgets, work schedules, proposed plans for the annexation areas, and so forth. In addition, the city may bring in "expert witnesses" who give testimony on the area's need for services and the comparative abilities of the city and the county to provide them. The county, for its part, seeks to reveal errors in the city's testimony through cross-examination of the city's witnesses and presents witnesses in its behalf, usually county department heads and "experts."

Another of the factors considered in all proceedings to extend a city's boundaries is referred to as "community of interest." The idea underlying this phrase is that there are very close economic, social, and cultural ties between the residents of the city and those of the fringe areas outside the city. From this premise it is contended that when a city's "natural boundaries" have extended beyond its "legal boundaries," there should be an adjustment in order to bring the two into proper alignment. Accordingly, at the hearing evidence is introduced to show that the city and the area sought to be annexed are actually one uninterrupted and homogeneous community. The testimony of governmental officials, civic leaders, heads of fraternal organizations, librarians, ministers, athletic directors, and many others is introduced to show the extent to which residents in the area shop and play in and depend upon the "central city" for social, civic, and cultural activities. The emphasis is mainly upon showing that the development in the fringe area is the result of an overflowing from the city and not from any stimulation by the county. In its defense, the county seeks to

counter the weight of this evidence and to show that the residents of the fringe area do not have close social, economic, and cultural ties with the city.

The fourth principal type of evidence that is considered in all annexation proceedings is financial in nature. Since under the Virginia practice of city-county separation any extension of a city's corporate limits necessarily results in a diminution of the county's tax resources and a corresponding gain on the part of the city, it might be presumed that a considerable amount of attention would be given by the county to showing the financial effect of the proposed annexation on the tax structure of the county. Although this factor is not completely ignored, the courts' consistent position that the gain or loss of tax revenue is not *in and of itself* sufficient basis for granting or denying annexation has lessened the attention that is given to this matter. Instead, the principal emphasis at the hearing is on whether the city is financially able to assume the obligations that must be incurred as a consequence of annexation. These obligations include the proportion of county or district debt for which the city must assume responsibility, the compensation that must be paid to the county for public improvements that have been made in the area to be annexed and for the county's loss of net tax revenues, the capital outlays that must be made in the area after annexation, and the cost of extending municipal services throughout the annexation area. Evidence on these points consists of the testimony of city officials and expert witnesses and the presentation of various charts and tables. In general, the evidence submitted in this connection includes data on the assessed valuation of taxable property in the city and the area sought to be annexed, the city's and county's nominal and true tax rates for the current and preceding years, the city's existing debt structure, and the effect that the additional costs of annexation will have on the city's financial position. Most of this financial evidence is highly technical and detailed and is intended to put each party's position in the most favorable light.

#### IV

AFTER all the evidence has been presented and everyone who so desires has been

heard, the annexation court must decide whether to grant or to deny the extension requested. Under the statute, if a majority of the court is not satisfied that the proposed annexation is necessary or expedient, considering the best interests of all parties concerned, the petition must be dismissed. On the other hand, if the facts satisfy a majority of the court of the necessity for and expediency of annexation, the court has no alternative but to determine the area to be annexed and the terms and conditions upon which annexation is to be had. The crucial point here, then, is how an annexation court determines the necessity and expediency of annexation.

The approach of the annexation courts to their task of determining when an extension should be granted and when it should be denied has been quite different from what might have been expected. While the evidence that is presented before annexation courts through the years has followed a substantially consistent pattern of factors both in opposed and in unopposed proceedings, the annexation courts have not reduced the elements so considered to rigid formulas or standards against which the local conditions of each proceeding must be measured and not found wanting before annexation is to be granted. They have never set up a minimum population density, land use vacancy, or definite population growth that must be present before annexation can be permitted, nor have they developed a judicial statement of the services that are required by unincorporated urban areas or the techniques by which the deficiencies in the services provided by the city or county are to be measured. No standards have been established to indicate what conditions must be present to show homogeneity between the city and its fringe areas sufficient to require that they be governed by the same unit of local government. And, finally, annexation courts have never given judicial standards for determining exactly when a city can afford annexation.

Rather, the annexation courts have regarded each proceeding as a local problem and have maintained a high degree of flexibility in the standards by which annexation is determined. In some proceedings one or a few of the factors

considered appears to have been the principal reason for granting annexation. Just after the turn of the century, an extension of the boundaries of the city of Newport News was granted because the annexation court felt that only under the vigorous action of the city's police force could certain conditions in the area be brought under control. In other proceedings, annexation has been granted when it was clearly shown that the residents in the fringe areas needed municipal-type services which the county could not provide, even though it was clearly evident that a vast amount of vacant land still existed within the city. On the other hand, in a recent proceeding by the city of Falls Church against Fairfax County annexation was denied, apparently on the ground that the court was not satisfied that the city's government was capable of absorbing the additional responsibilities, even though the evidence introduced at the hearing showed the city's need for additional area and a community of interest between the city and the fringe area. For the same reason, another annexation court refused to extend the boundaries of the city of Virginia Beach to include territory situated in Princess Anne County. The failure of the annexation courts to establish rigid formulas for determining annexation is amply illustrated by a 1946 proceeding by the city of Portsmouth against Norfolk County in which the annexation court added to the city a part of a highly urbanized area but refused to include other areas when the evidence showed that the city could not financially afford to take in the entire area.

In a great many of the proceedings, no one of the elements considered in the evidence introduced has been particularly indicative of a need for annexation. In these instances the determination appears to have rested on a composite of elements and it has not been possible to ascertain the degree of emphasis, if any, that the courts have placed upon any single factor. It is here that the refusal of the courts to reduce the factors considered to strict standards becomes particularly outstanding. The 1941 proceeding by the city of Richmond against Henrico County is an exceptionally good example. In this case the county based its defense primarily upon the contention that it had a modern, streamlined form of govern-

ment that was providing a higher degree of local services to its residents than the city could provide with its "outmoded, fossilized, bicameral, councilmanic form." The annexation court, although over the dissent of the "local judge," refused to accept this position and, unquestionably following the judicial maxim that urban areas belong under city government, granted most of the territory asked for by the city. Although there is ample evidence from this and other proceedings that the judicial scales are tipped in favor of the city, the evidence also clearly shows that during the fifty years the Virginia procedure has been in operation, each annexation court has very carefully heard the evidence presented before it and has then proceeded to make its decision upon the basis of what appeared to it to be best for all parties concerned.

## V

WHY has the Virginia plan of annexation worked so successfully for the cities? What may be said about the merits of determining annexation by litigation before a court of law?

Several factors are present in the Virginia scene which may help to explain the successful use of the judicial process for determining annexation. One of the most significant is the long period in which the fundamental provisions of the statute have remained unchanged. While minor changes have been made from time to time, the General Assembly for fifty years has withheld all attempts to depart from the basic principle of the procedure—the determination of the need to extend a city's boundaries and the conditions of such extension by litigation before a court of law. The few changes have, for the most part, been designed to improve the operation of the procedure and to adjust inequities and defects in the statute as they appeared from time to time. This stability of the statute has permitted a series of consistent decisions, which in turn have assured relative certainty in the operation of the procedure. An orderly development probably would not have been possible had the statute been changed radically throughout its history.

A second factor that has contributed to the success of the plan is the attitude of the courts. Recognition by the Supreme Court of Appeals

of the practical need of the situation evoked by the constitutional requirement of a general law for the extension of municipal boundaries was a particularly fortunate attitude which went far in assuring the successful operation of the procedure. Equally important has been the high degree of flexibility that the annexation courts have maintained in the determination of whether annexation is to be permitted. To a large degree the annexation courts may be said to have followed a procedure more comparable to that of chancellors in equity or administrative tribunals than to courts of law operating under the strict rules of *stare decisis*.

Not to be minimized in a consideration of why the Virginia annexation procedure has worked so successfully for the cities is the courts' premise that the state has established a policy of "placing urban areas under city government and keeping rural areas under county government." Accordingly, annexation courts have consistently followed the principle of determining annexation proceedings on the basis of the *needs of the area* and not of the wishes of the individual parties affected by the proceeding. Adherence to this position unquestionably gives the cities an edge in the controversy, especially where there is no single factor which strongly indicates the need for extending the city's boundaries.

An intangible, but nevertheless pertinent, factor in the success of the Virginia annexation procedure may be attributed to the strong popular respect for the judges of the state judicial system. Although it has never been the subject of formal study, anyone familiar with the Virginia scene is certain to have encountered this widespread regard for the judiciary and the judicial process. This attitude has unquestionably led to a willingness to accept the decisions of the annexation courts as final. How different the story would have been had the determination been left to the legislature or to the ballot box!

The real merit of the Virginia system, however, is that it vests final determination of these matters in an independent, third party. If any one factor had to be singled out as the outstanding feature and advantage of the Virginia procedure, it would be the use of an outside party to determine each annexation proceeding. By vesting the final decision in

someone other than one of the parties affected, there has been an orderly development that very probably could not have occurred had some other procedure been used. While the normal respect for the judicial system may have assured early acceptance and enhanced the operation of the procedure provided, it was not so much that it was the judicial branch that was used, but that an independent, third party is the final arbiter of the three-way conflict of interests involved in these proceedings. Such an assertion certainly requires, as a minimum, a brief elaboration.

In an earlier paragraph it was stated that where city-county separation is practiced annexation proceedings involve a three-way conflict of interests that can be present in myriad combinations. However, the conditions are never exactly the same in any two proceedings. At times there may be substantial agreement among all parties as to the need for annexation and the proceedings will not be strongly opposed. At other times, there may be complete disagreement between the parties and the annexation will be vigorously resisted. The issues involved in these proceedings, which have been brought into sharp focus during the fifty years the judicial process has been used, raise serious doubts as to the wisdom of vesting the final decision in the hands of any of the parties to the proceeding.

No city should be permitted to make the final determination of when annexation should take place. For the most part, the city's major interest is in acquiring additional territory, population, and taxable values. If the city is allowed to be an ultimate judge of when annexation is to be granted, there are no safeguards to keep it from acting strictly in its own interests by annexing only the areas it desires and leaving out less attractive areas. Moreover, such a procedure provides no limitations against overexpansion and the unnecessary subjection of people and property in areas that have not reached urban density to taxes and charges by the city. If the premise is correct that when an area becomes densely populated additional services are required which counties cannot provide, then the need to annex a particular area must be determined independently of whether annexation is or is not profitable to the city, and the city's desire to

grow and attain additional taxable values should not be the determining factor.

The people in the fringe area should not be permitted to make the ultimate determination in an annexation proceeding. To allow self-determination to the individual fringe area residents would be to stop most annexation attempts because of the strong conviction that "country living," even on the fringe of a big city, is cheaper than "city living." Even though the cost of providing the necessary services in an area outside the city may be equal to or greater than the tax burden that would be borne as a resident of the city (exact information on which is difficult to compute), it is difficult as a practical matter to convince the suburban dweller that incorporation into the city would be to his advantage. This is particularly true where the city is already furnishing water, sewage disposal, and fire protection outside its limits at the same *direct* cost that is paid by residents of the city. Experience has shown that where the resident in the area is permitted to make the final determination, he usually bases his decision on what annexation will mean to him personally in terms of an increase in his tax bill. This is hardly a sound foundation on which to build a policy so important to the whole community. In its simplest terms, it is a question of individual versus public interest.

Finally, the county should not have the final determination in the question of annexation. Once again there is too much of a question of personal interest at stake. If the county feels that part of its funds are going to pay for the services enjoyed by residents in the fringe areas but not by the remainder of the county, there will be a desire to get rid of these areas and to keep taxes down. On the other hand, if it is felt that the annexation area is carrying a sizable proportion of the county expenses and is keeping the county tax rate down, annexation will be strongly opposed. Again this makes it a purely personal matter and few, if any, decisions will be made according to the merits of the individual case.

If the premise that ultimate determination of annexation proceedings should rest in an outside party is accepted, and many certainly will not accept it, consideration must be given to the merits of litigation before a court of law

for determining when a municipality's boundaries should be extended. Virginia's fifty years of experience with such a process indicates that there can be no categorical answer and that there are both advantages and disadvantages in it.

Courts have a number of qualities which make them the logical choice for the decision-making aspect of annexation proceedings and Virginia annexation courts have amply demonstrated their ability to carry out this function. Not the least among the advantages of the use of annexation courts is that the final decision rests in an independent, impartial, third party. Certainly, Virginia's experience supports the conclusion that where city-county separation is practiced the use of courts as arbiters of annexation is much more desirable than any procedure that would permit the parties affected to make the final determination. It is also significant that the placement of final determination of annexation proceedings in a court of law means that the hearing of the issues is conducted under long-established rules of procedure in the dignified atmosphere of the courtroom before a body of men skilled in separating the important from the trivial. Under these conditions there is not only afforded an opportunity for sharpening the basic issues of the particular proceeding, but there is also the assurance that these issues will be heard on their merits.

One disadvantage of using the judicial process for determining annexation proceedings is that annexation courts are *ad hoc* combinations which have not been able to accumulate a body of information and experience about the needs of the various kinds of areas for different types of governmental structures. This situation has assured that each proceeding is considered separately, but it has not permitted the development of information on how far an area can be permitted to develop under the existing units of local government, the optimum size at which cities can most effectively perform their functions, and the best organizational arrangements for particular areas. While it is fortunate that the courts have not built up rigid judicial standards for determining annexation, it is equally unfortunate that there has not been brought together a body of general knowledge and information

about different types of areas upon the basis of which annexation can be determined.

The use of courts in annexation proceedings has the further disadvantage of a procedure that is cumbersome and expensive. This is especially true in the determination of small, unopposed extensions of municipal boundaries. A small step was taken toward alleviating a part of this shortcoming in 1954 when the statute was amended to permit the local judge to preside over unopposed annexation proceedings. While this change may afford a small measure of relief, it really does not reach the basic issue, as the annexing municipality still must prepare its case with considerable care in order to satisfy the court that, even in an unopposed extension, the proposed annexation is necessary and expedient. The expenses of opposed proceedings, on the other hand, are fantastic.

Although it can hardly be classified as a disadvantage in the operation of the Virginia procedure, serious doubt can be raised as to whether the issues in an annexation proceeding involve decisions of a legal nature. The Virginia courts have proceeded on the premise that they are legal. Their position has been that in annexation proceedings the court merely determines, on the basis of the evidence presented, whether certain conditions are present and that when these conditions are judicially ascertained, the law, *ex proprio vigore*, enlarges the boundaries.

It is true, of course, that many facts are presented as evidence before an annexation court. While this evidence is factual in nature, the conclusions that must be drawn therefrom are not factual in the sense that matters of interest and value can be excluded. Rather, the courts' determinations involve serious questions of a governmental nature that cover the entire field of social and economic considerations as they relate to the administration of public affairs and governmental services in complex governmental structures. The Virginia courts' refusal to establish rigid formulas or standards for measuring these factors in each proceeding, and their official recognition that the function they exercise is at best quasi-judicial in nature, indicates their awareness of the difficulties which could arise from trying to crystallize a set of standards for determining annexation.

As long as courts can *and will* exercise such broad discretion, they can do an effective job within the limited sphere of their operation. Should their discretion be limited, either by statutory amendment or judicial interpretation, the courts' effectiveness for determining when municipal boundaries should be extended will be drastically reduced.

The chief shortcoming of the present Virginia procedure for meeting the problem of fringe area development, however, centers in the very limited sphere within which annexation courts are permitted to operate. Annexation courts, like other courts of law, cannot initiate action but must wait until a case or a controversy is brought before them for adjudication. In view of the variety of means by which annexation proceedings may be initiated, this is not a particularly serious deficiency. A much more serious problem, however, is that even when an annexation proceeding is brought before an annexation court, the court's authority is limited to the single issue of determining whether that particular city's boundaries should or should not be extended. Although the court has the authority to add to or to deduct from the territory requested by the city, it cannot make any adjustments in the boundaries of other local governmental units no matter how sorely such adjustments may be needed.

The limitation of the authority of annexation courts to the determination of a controversy between a city which desires to extend its boundaries and the county, or counties, from which the territory is to be taken bids well to present extreme complications in the future of Virginia local government. In a simple rural-urban dichotomy, in which the extension of a city's boundaries does not cause major dislocations, the judicial process may continue to work quite effectively. Here, where the county is predominantly rural except for the development around the city, the issues are fairly clear cut and lend themselves to a quasi-judicial determination of the factors upon which annexation is to be permitted. Virginia has probably been particularly fortunate in that past developments have been predominantly of this type and the present annexation procedure has permitted the cities to adjust to this development.

The complex situations that are arising as a result of a continuing urban development, with the recent appearance of metropolitan areas, and a practice of city-county separation which has permitted the proliferation of small, uneconomical units of local government, however, cast serious doubts on the continued efficiency of courts in solving the problem of fringe area development in Virginia. Because of the small size of many of the Virginia counties, the time is not far distant when annexation courts will be faced with an obvious need by a city for annexation of territory in a county which after annexation would be insufficient in area, population, and taxable resources to continue operation as a primary, political subdivision but too large to be added to the annexing city. As these trends continue and the cities are unable to absorb the developments outside their boundaries at the same leisurely pace that has characterized the past fifty years, there is a very real danger that the judicial standards for determining annexation proceedings will become crystallized and formalized. Should this occur, annexation courts no longer will possess the flexibility to consider each local proceeding according to its own merits that has been so vital a part of the procedure in the past.

The problems arising out of the past and continuing practice of creating small, uneconomical, primary, political subdivisions and a practice of city-county separation suggests the need for considering the establishment of an official governmental body, perhaps similar to England's late Local Government Boundary Commission, in which would be vested authority to adjust local boundaries before the situation becomes irremediable. The advantages of such a commission over a court of law are impressive. Its independent status should make it fairly free from political influence, although possibly not quite so free as are the members of the judicial branch. Such an agency, by building up a body of expert knowledge concerning the problems with which it would be faced, could bring to the settlement of local governmental problems a wider view than that of *ad hoc* annexation courts. An agency of this type could take the initiative in making changes, something that courts cannot be permitted to

do. Through its studies, the commission could develop and facilitate the active participation of various governmental agencies in the formulation and development of organizational, procedural, and functional problems as they affect urban and rural situations. The chief advantage of such an agency, then, is that much broader authority and discretion could be vested in it than can be placed in a court of law. Experience shows that this broad discretion is sorely needed in connection with local governmental problems.

In the absence of the establishment of a local boundary commission, every effort should be made to assure as great a flexibility as possible in the operation of the Virginia annexation courts. The continued effectiveness of the

judicial process for determining annexation will depend entirely upon the exercise of the same type of broad discretion as in the past. While there is no doubt that annexation will become a more controversial issue and that eventually, as the metropolitan problem becomes more pressing and more towns become cities and separated from the existing counties, rather radical adjustments will have to be made in Virginia's pattern of local government, there seems little reason why the present plan of annexation, possibly strengthened by a few changes, should not be adequate for the immediate future. Until changes are made imperative, then, the judicial process for determining annexation should work fairly satisfactorily.

#### Policy-Making and Administration in the States

The central concern of this Assembly is the capacity of state governments to perform their appropriate functions [in the federal system] responsibly, democratically, intelligently, and efficiently. . . . The making of policy decisions is the most important responsibility of any government. For policy making in a representative government the legislature is of crucial importance.

. . . Policy decisions are futile unless they are carried out effectively. The governor is the appropriate person to direct and coordinate state administrative activities. If he is not in reality chief executive, each department becomes responsible only to itself and to the narrow and particular interest groups regulated or served by its activities.

. . . To assure the governor's administrative leadership, the American Assembly recommends that the ballot be shortened to provide for popular election of only the governor, the lieutenant governor, and the auditor with exclusively post-audit functions (although legislative selection of the auditor is an alternative). Heads of agencies should be appointed by the governor, and their terms should coincide with his.

. . . Every design for government has to face up to the possibility that an occasional chief executive may be weak or bad. But to shape a state government so that an error by the people cannot bring bad consequences is also to shape one that prevents sound decisions by the people from bringing good consequences. . . .

. . . The states' record on personnel needs substantial improvement. More of our able men and women must be attracted to the top administrative and professional positions, for they are among the most influential persons in setting the whole tone of state administration. . . .

—From a press release: "Findings of the Participants in the Eighth American Assembly, October 19-16, 1955, at Arden House, Harriman, New York, on *The Forty-Eight States: Their Tasks as Policy Makers and Administrators*."

# The Second Hoover Commission Reports: An Analysis

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THE reports of the second Commission on Organization of the Executive Branch of the Government (Hoover Commission) are published in the same succinct style and attractive format that characterized the volumes of the first Hoover Commission. Each of the eighteen volumes represents the commission's judgment on a topic that had previously been assigned for study by a group of distinguished experts. The reports total about 2,000 pages of text and contain more than 300 recommendations. The reports of the task forces and sub-task forces represent an additional and even more imposing volume of reading matter. Any one of the Hoover Commission reports, with its corresponding task force report, would represent a suitable topic for a panel discussion. Since this panel is concerned with all of the reports, and not just one of them, this paper will outline the main threads and trends in the reports, with brief identification or comment on the more significant recommendations.<sup>1</sup>

## *Organization and Composition of the Commission*

LIKE its predecessor, the second Hoover Commission was a so-called mixed commission of twelve members: four appointed by the President of the United States, four appointed by the President of the Senate, and four appointed by the Speaker of the House of Representatives. Six of the members were to be from private life, two from the executive branch, two from the Senate, and two from the House of Representatives. This formula of membership was pre-

sumably carried over from the earlier Hoover group because it provided for congressional and public participation that was particularly useful in securing acceptance of the recommendations.

The statute creating the first Hoover Commission specifically provided that the membership of the commission was to be equally divided between the two major political parties. Although the language of the second Hoover Commission statute is strikingly similar to its predecessor in most respects, it is significant that language to assure a bipartisan commission is omitted from the second Hoover Commission act. In the case of the first Hoover group, a Republican Congress was studying a Democratic administration in control of the executive branch; the second statute is again the child of a Republican Congress, but this time it is a Republican administration that is under scrutiny. This has led to the accusation that the Republicans favor a bipartisan inquiry only when the Democrats are under review. A review of the commission reports and dissenting opinions does not indicate that partisan politics has played a major role in the reports. For example, although the commission consisted of seven Republicans and five Democrats, in no instance does a report show a vote split along strictly party lines.

Like its predecessor, the second Hoover Commission appointed a series of task forces to investigate particular subjects and to report the results of their deliberations to the full commission. The commission reports, as distinguished from the task force reports, were the product of the commission itself, with Mr. Hoover playing an active role.

<sup>1</sup>This paper was presented at a round table session of The American Political Science Association at Boulder, Colorado, September 7, 1955.

The members of the commission included Herbert Hoover, chairman; Attorney General Brownell, Jr.; Defense Mobilizer Arthur S. Flemming; Senator Styles Bridges (R); Senator John L. McClellan (D); Representative Clarence J. Brown (R); and Representative Chet Holifield (D). The public members were former Postmaster General James A. Farley, Robert G. Storey, Joseph P. Kennedy, Sidney A. Mitchell, and Solomon C. Hollister.

#### *Scope of the Inquiry*

SECTION 1 of the act creating the Second Hoover Commission states that it is

. . . the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business . . . by—

1. recommending methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;
2. eliminating duplication and overlapping of services, activities, and functions;
3. consolidating services, activities, and functions of a similar nature;
4. abolishing services, activities, and functions not necessary to the efficient conduct of government;
5. eliminating nonessential services, functions, and activities which are competitive with private enterprise;
6. defining responsibilities of officials; and
7. relocating agencies now responsible directly to the President in departments or other agencies.

A comparison of the above charter with that of the first Hoover Commission reveals that the two are very similar. In actual scope of inquiry, however, the two groups are quite different. There are at least two reasons for this difference in scope or subject matter:

1. The fifth paragraph of the statement of policy calls for "eliminating nonessential services, functions, and activities which are competitive with private enterprise." This provides the foundation for a "competition with private industry" theme, which is the major theme of the reports. We will discuss this point in a later section.
2. The interpretation of the charter by the second Hoover Commission has been much broader than that of the earlier group. The charter of the first group, for example, con-

tained language almost identical with that of the present group with respect to reducing expenditures and abolishing functions. Yet Mr. Hoover on November 11, 1948, stated to the press that "major functions of the government are determinable as needed by the Congress. It is not our function to say whether it should exist or not, but it is our function to see if we cannot make it work better." Perhaps it is significant that Mr. Hoover was speaking on November 11, one week after the unexpected triumph of Harry S. Truman over Thomas E. Dewey and the Democratic sweep over both Houses of Congress. In any event, there has been a major shift in interpretation and emphasis. Although the legislative language remains very similar, the reports of the second Hoover Commission deal firmly and unhesitatingly with whether a function should exist or not, and how it should be carried out. This is not to suggest that the commission has exceeded its authority or the intent of Congress; the legislative history of the act creating the commission clearly intends such an interpretation.

The net result has been an inquiry that goes far beyond the efficiency and economy concept of previous groups. Mr. Hoover expressed the difference very well in a recent magazine interview when he stated "we were trying to strengthen the philosophical foundations of our country." The direction in which Mr. Hoover would strengthen the foundations of our country is quite clear. In the words of the *Wall Street Journal*, "what the new Hoover group has proposed, when you add up all the task force reports, amounts to a revolution in Washington's way of governing—or it might be called a counter-revolution against the changes wrought by the New Deal and its successors."

#### *Organization and Policy*

THE fundamentalist position in organization theory has been to insist that there are principles of organization which are independent of policy considerations. The 1937 report of the President's Committee on Administrative Management and the first Hoover Commission reports were clearly based on the notion that there are principles of organization which will tell us how to organize in a given situation. However, analysis of these earlier efforts by

Waldo, Simon, Smithburg, and Thompson, and others has clearly illustrated that practical recommendations for organization action always depend upon the values of the person making the recommendation. Although many of the reorganization proposals of the first Hoover Commission were allegedly made to conform to the principle of organization by purpose, a closer examination of specific proposals will show that in each case a value judgment is involved in determining what is the major purpose. Indirectly, and apparently unconsciously, the organization proposals of the first Hoover Commission did involve policy questions and judgments.

Turning to the second Hoover Commission, we find that the reports should once and for all time lay the ghost of the proposition that principles of organization are applicable without regard to policy and value judgments. For example, the report on *Overseas Economic Operations* contains proposals to transfer the administration of overseas agricultural projects to the Agriculture Department, technical assistance projects to the Commerce Department, and other projects to the Interior and Health, Education, and Welfare departments. Clearly, the effect of these organization recommendations is to deemphasize the foreign aid program and involves a value judgment that such curtailment is desirable. Interestingly, five of the nine task force members on overseas economic operations had previously recommended that all foreign aid functions be turned over to a single agency. This is not cited as an example of inconsistency on the part of the task force members, but rather to illustrate that organization cannot be divorced from policy. Perhaps the lesson is that one type of organization may be best when it is desired to build up an activity; another type of organization may be selected if the objective is to strangle it to death. The Hoover Commission proposal "to scatter foreign aid functions to the four corners of the Executive Branch" does not appear to be designed to aid in carrying out the purpose of the activity more effectively. Principles of organization, to be useful, can certainly not be applied until there is agreement on the general objectives to be accomplished.

But, aside from mixing policy considerations into its organization proposals, for which there

is ample precedent, the second Hoover Commission is unique in that it clearly and unmistakably enters the political arena on policy issues. For example, the report on *Water Resources and Power*, on which one-fifth of the Hoover Commission appropriation was spent, is clearly a policy document. In fact, its first recommendation proposes a nine-point national water policy. It deals with lively current issues in the public vs. private power controversy. The two members of the Eisenhower administration on the commission filed a general dissent to this report. Representative Holifield of California also wrote a dissenting opinion in defense of public power, which is almost as long as the main commission report. Other examples of reports that deal primarily with policy issues are those on overseas economic operations and government lending agencies.

It is not within the province of this paper to evaluate the substantive policy and program recommendations in the reports of the second Hoover Commission. My only comment would be to question whether a Commission on Organization of the Executive Branch is the appropriate body to advise the Congress and the people on these fundamental problems of public policy.

#### *Improving Departmental Management*

THE basic theme of the first Hoover Commission was to provide an over-all organization structure which would enable the President and his Cabinet heads best to carry out the programs assigned to the executive branch by the Congress of the United States. The report on *Departmental Management* constituted a landmark because it set forth the pattern for management of the executive branch which to an amazing extent has been adopted and put into effect. The key elements in this pattern of departmental management were (1) emphasis on the line of command from the Congress to the President to his responsible agency heads, (2) strengthening the staff at the department and agency level to assist the agency heads in meeting their responsibilities, (3) organizing the agencies within a department by major purpose, thereby bringing into each department a unified group of activities having common broad objectives, and (4) providing for decen-

tralized administrative services under central control.

This approach of the first Hoover group to departmental management was to secure improvement by establishing clear-cut lines of authority and assignment of functions. This approach was accepted in principle by the Congress and the executive branch, and actions have been taken to put it into effect.

In view of the significance of the earlier Hoover group's recommendations on departmental management, and the extent of their acceptance, what is the position of the second Hoover group on this important point? Thumbing through the reports, we find them almost completely silent on the question of departmental management. In view of the acceptance of the recommendations of the earlier Hoover group, this is perhaps not surprising. It could be, for example, that the commission members were satisfied with the progress in installing the earlier recommendations and felt that further comment was not required.

However, there are indications that the approach to departmental management has been modified. For example, while the first Hoover group tended to solve problems of interdepartmental conflict by proposing shifts of agencies to bring them closer together in the organizational structure, the second Hoover group appears to rely more upon interdepartmental committees or Executive Office agencies for solution. Whereas the earlier group recommended a major organization shuffle of medical agencies to create a united medical administration, the second group proposes a more moderate solution in the creation of a federal advisory council of health. Perhaps this was a recognition that to attempt to dislodge powerful bureaucratic organizations is to bump one's head against a stone wall, and a hope that a measure of the desired coordination could be achieved through broad participation in an advisory council. Similarly, rather than to recommend that the Corps of Engineers be transferred to the Bureau of Reclamation in the Department of Interior, or vice versa, the commission revived the idea of a water resources board in the Executive Office of the President to effect coordination of water projects.

While the commission does not deal with departmental management as a major topic,

the indirect effect of some of its recommendations is to create crosscurrents that run contrary to the flow of thinking of the earlier report. For example, the report on *Legal Services and Procedure* provides for centralization of responsibility for legal services in the Department of Justice. In effect, it provides for a separate career system under the leadership of the Justice Department, rather than the Civil Service Commission. Within departments and agencies, the report advocates the integration of legal staffs under an assistant secretary for legal affairs, who in turn would have strengthened ties with the Department of Justice. The report calls for sweeping changes in judicial procedure, enlarging the scope of judicial review of administrative decisions, and establishing a separate administrative court to deal with administrative matters.

There is not time for a considered discussion of the far-reaching implications of the report on *Legal Services and Procedure*. The point is merely to observe that the contemplated establishment of a strong legal career service, under the control of the Justice Department, with legal and technical ties down into the agencies —this increased professionalism of legal activities can be achieved only at the expense of weakening the same line of command of department and agency heads that the first Hoover Commission was trying to strengthen.

The greatest contribution of the second Hoover Commission to departmental management is in its report on *Personnel and Civil Service*. The high light of the volume is its treatment of the problem of managerial direction, which it states to be the greatest weakness of the government civil service system. The report proposes to strengthen managerial direction through:

1. The recruitment of additional competent non-career executives. The report boldly asserts the need for more and competent political appointees in key policy positions. To get them it advocates designation of more exempted positions, higher salaries for executives, and a reexamination of the conflict of interest statutes to encourage the entry of competent men into the civil service. Although these proposals are highly controversial, they represent a forthright consideration of an important problem that has again emerged in recent years.
2. The establishment of a senior civil service group. This proposal is aimed at strengthening the

career service by establishing a senior corps of civil servants. These individuals would have rank and status as individuals rather than according to the classification of the job they are performing, and would be subject to transfer among departments.

8. Training and development of managers at lower levels. The commission stresses the need for training at lower levels in order to develop future top career executives.

#### *The Role of the Expert*

THE second Hoover Commission recruited for its task forces one of the largest collections of skilled technicians and executives from private industry that has ever been assembled for an attack on governmental problems. The roster of nearly every task force contains an imposing list of prominent men from commerce and industry who contributed their service to the project. This heavy participation of industrial leaders was made possible by a special provision of law that exempted them from the usual conflict of interest statutes.

One of the commission's greatest problems was to harness this group of experts in a wide variety of subject-matter fields. For if the commission was to fulfill its broad charter, it must make certain that the expert's advice is confined to the fields on which he is qualified as an expert. To individual commission members serving on a part-time basis, faced with deadlines, and confronted with imposing task force reports from skilled technicians, this problem must have at times seemed insurmountable.

For example, what is the commission to do with an extremely technical report on *Legal Services and Procedures*, prepared by an eminent group of lawyers, law professors, and jurists? The natural inclination is to leave well enough alone and not to be disposed to question the technical judgment of the experts. Yet this report has serious implications for the civil service system, the chain of command within the executive branch, the efficient operation of regulatory agencies, and other nonlegal problems.

Another difficulty is to make certain that the expertise desired is properly defined and that the point of view of the expert will be to accomplish the objectives of the activity under study.

The report on subsistence services (*Food and Clothing*) deals intensively with the storage

and issue of food and clothing as technical processes. To what extent does the report have its sights focused on the real purpose, which is not merely to achieve technical perfection in subsistence processes, but more broadly to make certain that our men are adequately fed and clothed? To put it another way, are we sure that experts in growing, processing, and selling food are equally qualified as experts in the field of institutional feeding?

Are we certain that a group of experts in banking, lending, and investment procedures are equally qualified to pass judgment on United States policies in such fields as agricultural credit, mortgage guarantees, rural electrification, and other direct or indirect aids provided by the federal government?

Six of the eighteen principal Hoover Commission reports deal with the processes of business management. This in itself is an indication of a process or technical orientation. The culmination of the reports on business services in the Defense Department is a proposal to establish a fourth military department—a department of military supply. Any reluctance on the part of the Army, Navy, and Air Force to go along with this proposal can perhaps in part be attributed to bureaucratic opposition; but more, it could stem from a genuine and sincere concern that depriving them of control over the vital element of supply would interfere with the accomplishment of the missions assigned to them.

From a review of the reports, we are forced to conclude that there has been a tendency on the part of the experts to glorify the process technique with which they were concerned.

#### *Business Enterprises*

CERTAINLY the most important theme of the second Hoover Commission reports is the review of the government's business-type enterprises to determine whether their functions should be taken over by private industry. This inquiry springs from specific language in Section 1 of the act creating the commission.

The commission finds that there are approximately 3,000 establishments in the government that are competitive with private enterprise; it recommends that the government stop operating them, if possible. Almost all are in the military establishment. The scope of these rec-

ommendations is indicated by some of the areas where all or part of an activity in the Defense Department is proposed for curtailment or return to private enterprise: construction and repair of naval vessels, military reserve industrial facilities, scrap metal processing, commissaries, post exchanges, military bakeries, coffee roasting, meat cutting, clothing manufacture, laundries, military, sea, and air transport, dry cleaning plants, and medical and dental repair facilities. Outside the military, the list includes such items as the postal savings system, repair of mailbags, helium production, and the Tennessee Valley Authority fertilizer program. This theme of competition with private enterprise also occurs in other reports—for example, business enterprises in the field of lending, guaranteeing, and insurance and in the field of power.

In view of the rapid growth of the federal establishment, an objective appraisal of government business-type activities seems very appropriate. The fact that the commission has so suddenly challenged such a large number of enterprises has led to editorial comment to the effect that Mr. Hoover is trying to "give the government back to the Indians," or that he is trying to "get the government out of government." As the issues involved in the review of government's business enterprises are extremely important and fundamental to the welfare of our nation, they deserve the most careful and thoughtful attention. For this reason it is somewhat disconcerting to read from the dissent of Commissioner Holifield, ". . . I must object to the summary, mechanical, and sometimes arbitrary manner in which the Commission's report would dispose of many such activities. . . . the incidence of opportunity for private enterprise cannot be determined by adherence to some simple formula that Government enterprise is inherently bad and private enterprise is inherently good."

#### *Expected Results*

THE unprecedented success of the first Hoover Commission, 70-75 per cent of whose recommendations have been installed, can be traced to a variety of causes. Among those most frequently mentioned are (1) the bipartisan nature of the commission; (2) the fact that it was a mixed commission, with legislative, execu-

tive, and public representation; (3) the relatively noncontroversial nature of the majority of its recommendations; (4) the excellent public support engendered by the Citizens Committee for the Hoover Report; and (5) the strong endorsement of the recommendations by the Truman administration.

In analyzing the prospects for adoption of the second Hoover Commission reports, the most important factor to be considered is that the major issues of the second Hoover Commission are controversial questions of public policy. The main substantive thread that runs through the report reflects Mr. Hoover's statement to *U.S. News World Report* that in his opinion "The Government is too big." As the *Wall Street Journal* points out, "most of the important recommendations of the Commission . . . propose that the Government stop doing something it is doing. And most of the things it is supposed to stop doing involve the type of 'social welfare' activity that the Government has been carrying on for many years and that large groups of voters have come to expect the Government to carry on." The *Journal*, which is certainly no foe of the Hoover Commission, reluctantly concludes that, "most of the important recommendations of the Second Hoover Commission aren't going anywhere."

To date, the Eisenhower administration has been discreetly silent regarding the Hoover Commissions recommendations. Although a positive position on the recommendations could hardly be expected at this early date, the most likely explanation is that administration advisers have prevailed in their suggestions to avoid issues packed with political dynamite. Needless to say, it is not difficult to identify many points where the attitude of the Congress and the administration have been or are now exactly contrary to commission recommendations.

Unfortunately, one of the inescapable results of the second Hoover Commission, as with the earlier group, will be to lower the prestige and morale of the public service. In its sincere desire to popularize and publicize its findings, this commission has again asserted that huge savings could be realized from adoption of its proposals. Unfortunately, the indirect effect of these claimed savings, no matter how fanciful, is to strengthen the average citizen's conception

of the spendthrift bureaucrat. Similarly, the emphasis on gigantic figures, such as the handling of 25 billion pieces of paper each year, the occupancy of enough space to fill 1,250 Empire State buildings, or the filing of enough records to fill 7 Pentagons, has a similar effect on the citizenry.

Most of the reports of the commission itself are very careful to avoid giving these unfortunate impressions. In fact, a number of the reports go out of their way to point to the fine quality of public servants and to disclaim any criticism of them as such. The report on *Personnel and Civil Service* is an outstanding example of constructive and positive recommendations. The unfavorable context is largely an over-all impression, aided in part by treatment of the press.

From the point of view of the student of organization and management, who is interested in this type of commission as a means of improving the organization of the executive branch, the over-all effect of the second Hoover Commission is not very encouraging. The first

commission appeared to have hit upon a successful formula and raised high hopes for continued improvement through such inquiries. Reorganization proposals, on which much of the success of the first report was based, are virtually ignored in the second report. Furthermore, the policy nature of its major reactions have engendered political controversy. Since the second Commission on Organization of the Executive Branch was born under the aegis of reorganization, and has branched off into controversial areas of public policy, the idea of reorganization is bound to suffer.

The review of issues of public policy by commissions of the Congress is an appropriate and valuable activity. From the point of view of organization and management, it is unfortunate that one of the most controversial of such inquiries would be undertaken under the title of "Commission on Organization of the Executive Branch." Certainly the major emphasis on policy issues will overshadow many of the sound proposals for improving the workings of the executive branch.

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#### The Top Executive

The role of the top executives—the principal officer and his deputy—is that of the generalist, not the specialist. They may be specialists in one or even two fields. In fact, it is customary in industry and in government to promote specialists to positions of command. In industry the director of research, the sales manager, the controller or the production manager may be promoted to the position of executive vice president or president; but if he continues to think and act as a specialist, he disqualifies himself for his proper role of generalist. As a top executive or "generalist" he must concern himself with the activities of all sections or divisions and get results through strengthening the functions of the various specialists and co-ordinating their work planning and output. This is a fundamental in industrial organizations, and the same principle applies to the Government and to the Foreign Service.

—James F. Grady, "Executive Responsibilities in the Foreign Service," 32 *Foreign Service Journal* 21 (August, 1955). Mr. Grady is dean of the School of Management, Foreign Service Institute.

# A MEDAL FOR HORATIUS

By COLONEL W. C. HALL

*Text by Colonel Hall, who is with the United States Army Corps of Engineers at Fort Meade, Md., is reprinted with permission from the Army Combat Forces Journal. Art work by Robert C. Southee, Leatherneck staff artist, is reproduced with permission from Leatherneck, Magazine of the Marines.*

Rome

II Calends, April, CCCLX.

**SUBJECT:** Recommendation for Senate Medal of Honor.

**TO:** Department of War, Republic of Rome.

I. Recommend Gaius Horatius, Captain of Foot, OMCMXIV, for the Senate Medal of Honor.

II. Captain Horatius has served XVI years, all honorably.

III. On the III day of March, during the attack on the city by Lars Porsena of Clusium and his Tuscan army of CXM men, Captain Horatius voluntarily, with Sergeant Spurius Lartius and Corporal Julius Herminius, held the entire Tuscan army at the far end of the bridge until the structure could be destroyed, thereby saving the city.

IV. Captain Horatius did valiantly fight and kill one Major Picus of Clusium in individual combat.

V. The exemplary courage and the outstanding leadership of Captain Horatius are in the highest tradition of the Roman Army.

JULIUS LUCULLUS,  
Commander, II Foot Legion.

• • •

Ist Ind. AG. IV Calends, April, CCCLX

TO: G-III

For comment.

G. C.

IIId Ind. G-III. IX Calends, May, CCCLX

TO: G-II

I. For comment and forwarding.

II. Change paragraph III, line IX, from "saving the city" to "lessened the effectiveness of the enemy attack." The Roman Army was well dispersed tactically; the reserve had not been committed. The phrase as written might be construed to cast aspersions on our fine Army.

III. Change paragraph V, lines I and II, from "outstanding leadership" to read "commendable initiative." Captain Horatius' command was II men—only I/IV of a squad.

J. C.

• • •

IIIId. Ind. G-II. II Ides, June, CCCLX.

TO: G-I

I. Omit strength of Tuscan forces in paragraph III. This information is classified.

II. A report evaluated as B-II states that the officer was a Captain Pincus of Tifernum. Recommend change "Major Picus of Clusium" to "an officer of the enemy forces." T. J.

• • •

IVth Ind. G-I. IX Ides, January, CCCLXI.

TO: JAG

I. Full name is Gaius Caius Horatius.

II. The action against the Porsena raid, years. One year in Romulus Chapter, Cub Scouts, has been given credit for military service in error. E. J.

• • •

Vth Ind. JAG. IIId of February, CCCLXI.

TO: AG

I. The Porsena raid was not during wartime; the temple of Janus was closed.

II. The action against the Porsena raid, ipso facto, was police action.

III. The Senate Medal of Honor cannot be

awarded in peacetime. (AR CVIIIXXV, paragraph XII, c.)

IV. Suggest consideration for Soldier's Medal.

P. B.

\* \* \*

VI<sup>th</sup> Ind. AG, IV Calends, April CCCLXI.

TO: G-I

Concur in paragraph IV, V<sup>th</sup> Ind. L. J.

\* \* \*

VII<sup>th</sup> Ind. G-I, I day of May, CCCLXI.

TO: AG

I. Soldier's Medal is given for saving lives; suggest Star of Bronze as appropriate. E. J.

\* \* \*

VIII<sup>th</sup> Ind. AG III day of June, CCCLXI.

TO: JAG

For opinion.

G. C.

\* \* \*

IX<sup>th</sup> Ind. JAG, II Calends, September, CCC-LXI.

TO: AG

I. XVII months have elapsed since event described in basic letter. Star of Bronze cannot be awarded after XV months have elapsed.

II. Officer is eligible for Papyrus Scroll with Metal Pendant.

P. B.

\* \* \*

X<sup>th</sup> Ind. AG, I Ide of October, CCCLXI.

TO: G-I

For draft of citation for Papyrus Scroll with Metal Pendant.

G. C.

\* \* \*

XI<sup>th</sup> Ind. G-I, III Calends, October, CCCLXI.

TO: G-II

I. Do not concur.

II. Our currently fine relations with Tuscany would suffer and current delicate negotiations might be jeopardized if publicity were given to Captain Horatius' actions at the present time.

T. J.

\* \* \*

XII<sup>th</sup> Ind. G-II, VI day of November, CCC-LXI.

TO: G-I

A report (rated D-IV), partially verified, states that Lars Porsena is very sensitive about the Horatius affair.

E. T.

\* \* \*

XIII<sup>th</sup> Ind. G-I day of November, CCCLXI.

TO: AG

I. In view of information contained in preceding XI<sup>th</sup> and XII<sup>th</sup> Indorsements, you will prepare immediate orders for Captain G. C. Horatius to one of our overseas stations.

II. His attention will be directed to paragraph XII, POM, which prohibits interviews or conversations with newsmen prior to arrival at final destination.

L. T.

Rome  
II Calends, April I,  
CCCLXII.

SUBJECT: Survey, Report of DEPARTMENT OF WAR.

TO: Captain Gaius Caius Horatius, III Legion, V Phalanx, APO XIX, c/o Postmaster, Rome.

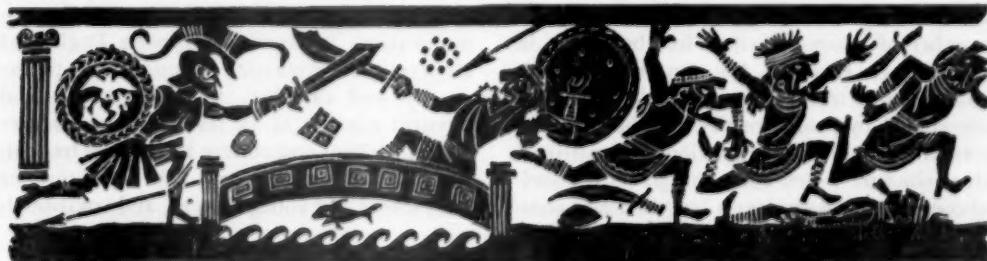
I. Your statements concerning the loss of your shield and sword in the Tiber River on III March, CCCLX, have been carefully considered.

II. It is admitted that you were briefly in action against certain unfriendly elements on that day. However, Sergeant Spurius Lartius and Corporal Julius Herminius were in the same action and did not lose any government property.

III. The Finance Officer has been directed to reduce your next pay by II 1/II talents (I III/V talents cost of one, each, sword, officers; III/IV talent cost of one, each shield, M-II).

IV. You are enjoined and admonished to pay strict attention to conservation of government funds and property. The budget must be balanced next year.

H. HOCUS POCUS,  
Lieutenant of Horse, Survey Officer.



# The United States Armed Forces Institute

By COLONEL MILES R. PALMER, USAF

*Chief, Education Division, Office of  
Armed Forces Information and Education,  
Department of Defense*

In June, 1954, the United States Armed Forces Institute (USAFI), located at Madison, Wisconsin, celebrated its twelfth birthday and honored its three millionth enrollee. The institute had a very modest beginning as a wartime service for Army enlisted personnel, providing opportunity for continuing academic education no matter how remote the place of assignment might be. Soon the educational benefits it had to offer were extended to enlisted personnel of other services. Eventually, under its present name, USAFI, it was chartered to offer these benefits to all of the military personnel of the armed services, enlisted men and officers alike.

USAFI, Madison, is a field activity of the Office of Armed Forces Information and Education, Department of Defense. Five oversea USAFI's have been established to help USAFI, Madison, serve military personnel in Europe, the Far East, Hawaii, Alaska, and the Caribbean area. These USAFI's are under the direct control of the theater commanders, but are governed by the same policies and procedures as govern USAFI, Madison. As of July, 1955, active enrollments totaled 291,998; of these, 59 per cent were with USAFI, Madison, and 41 per cent with the oversea USAFI's.

Two major types of courses are offered by USAFI's, "correspondence" and "self-teaching." A student enrolled in a "correspondence" course completes and mails to a USAFI the number of lessons specified for the course in which he is enrolled. He must also pass an end-of-course test. All correspondence lessons are graded by professionally qualified instructors who give helpful suggestions and constructive criticism. When a student passes the end-of-course test, he receives a "certificate of com-

pletion" and a permanent record of his achievement is maintained at USAFI, Madison.

A student enrolled in a "self-teaching" course uses the same course materials as the student who is enrolled in the "correspondence" course, but he proceeds at his own pace without submitting lessons and takes the end-of-course test whenever he feels he is prepared to do so. He, like the "correspondence" student, receives a certificate of completion and a permanent record of his achievement is maintained by USAFI, Madison.

An initial enrollment fee of \$2.00 is charged for both types of courses and the student may take as many courses as he desires thereafter, provided he completes each course in which he enrolls.

An important service provided by USAFI is the furnishing of course materials for group study classes. These classes are usually organized at military installations by education officers when ten or more persons are interested in a specific subject. The classes are taught by qualified military or civilian instructors. In all cases where USAFI materials are used, end-of-course tests are given and a permanent record of the scores maintained at USAFI, Madison.

The academic level of courses offered in the USAFI curriculum ranges from elementary school through the first two years of college. Six major areas of learning are covered: communications (written and spoken English at all levels), mathematics (through analytic geometry and calculus), science (natural and physical sciences at all levels), social sciences (at high school and college levels), the humanities (languages, fine arts, and literature at high school and college levels), and vocational-

technical (agriculture, applied arts, and business and clerical, administrative, and trade and industrial occupation).

Although USAFI offers a wide range of courses at various levels, these offerings do not meet the needs of all military personnel who want to continue their education, particularly those who want to establish contact with and study under the supervision of colleges and universities. To meet the needs of these people, USAFI contracts with colleges and universities throughout the United States that desire to offer their correspondence courses to personnel in the military services. Currently, USAFI has 45 colleges and universities under contract and they offer a total of more than 6,400 courses. Colleges and universities under contract with USAFI are known as "participating" institutions. Personnel who enroll in these courses pay their own tuition and for the materials used. USAFI pays for the cost of lesson service and maintains a permanent record of course work completed. This "participating" college and university program is a most important part of the USAFI program; it provides students personal contact with the college or university of their choice and also the supplemental offerings required for those whose objective is a baccalaureate degree.

Another important educational service of USAFI is its testing program. End-of-course tests have already been mentioned. The other two major types of tests are "subject-matter" tests and "tests of general educational development" (GED tests). Subject-matter tests do not pertain to any particular USAFI course but are designed to measure achievement in various high school and college subject-matter fields. For example, individuals who are not certain of the level of a USAFI course in mathematics for which they are prepared may take a USAFI subject-matter test in mathematics to determine their current level of performance in that field of study. Credit, or advanced standing, is often given by colleges and universities for the passing of subject-matter tests, but the tests have been used largely as a basis for educational advising.

Two batteries of GED tests are available through USAFI, one designed to determine if the individual has the equivalent of a high school education and the other to determine

if he has the equivalent of the education he would have attained by graduating from high school and attending college for one year. Both batteries of tests were constructed by civilian experts in the field of educational testing and carefully standardized on large populations of high school seniors and college freshmen and sophomores. The high school level test covers five areas—English, social science, literature, natural sciences, and mathematics. The college level test covers the same areas with the exception of mathematics.

In all education programs, the question of credit arises. How has the serviceman, who has taken USAFI courses or USAFI tests, fared in receiving recognition of his efforts? Forty-seven states recommend high school credit for completion of USAFI courses; forty-four states have policies under which a serviceman may qualify, in whole or in part, for an equivalency certificate or a high school diploma on the basis of passing scores on the high school level GED tests. A recent survey of 1,511 colleges and universities showed that 85 per cent admit a serviceman to the freshman class if he has passed the high school level GED tests, 47 per cent give advanced standing credit for successful completion of college level GED tests, and 79 per cent allow credit for completion of USAFI courses that fit in with the serviceman's proposed program of study. In forty-three states, high school credit is given for successful completion of USAFI subject-matter tests. In addition to academic credit given by educational institutions, most industries in all states accept passing scores on the high school level GED tests as the equivalent of a high school education when such education is considered a prerequisite for employment.

Perhaps you are wondering about the cost of the educational services furnished by USAFI. The annual cost of the USAFI program is approximately \$3.5 million. Although the per capita cost on any basis—number of enrollees, lessons graded, or tests administered—is amazingly low, an explanation of why the Department of Defense and the services sponsor such an educational activity should be of interest to the people of this country.

The value to the individual who participates in the program is fairly obvious; it gives

him an opportunity to acquire knowledge and skills he may use to progress toward the attainment of an academic goal, add to his potential earning power, or afford personal satisfaction. True, the benefits that accrue to the individual are important, but the Armed Forces of this country are supported by public funds for the primary purpose of providing adequate defense for the nation. What, then, is the reason for support of the USAFI program?

The answer is simple. The armed forces have learned that the better the individual is educated the better fighter he is in either a "hot" or "cold" war. He meets an enemy more effectively. Not only is he more capable of doing a first-class job, but he actually makes fuller use of his capabilities. This means that our fighting forces have a real stake in seeing that the individual has continuing opportunity for educational development.

Scientific and industrial advances have made modern instruments of war extremely complex. To man them, our armed forces must have highly trained technicians and specialists in many fields. Therefore, they see to it that the individual is given specialized training in one of these fields when he enters service. However, the increasing demand for career personnel who can successfully complete technical courses that demand a rather high level of technical knowledge requires a sound academic background in mathematics, physics, and the other sciences. To provide this increased knowledge through USAFI is an economy in manpower and in money.

In addition to military skills, the serviceman needs to know our democratic principles and be able to think clearly about them. This calls for broad general knowledge. Never has this need been greater than today. As Major General John M. Devine, USA (Ret.), former director of the Office of Armed Forces Information and Education has said, "wars may be fought with weapons, but they are won by men who know and believe in what they are fighting for."

The armed forces also profit in two other ways as the result of providing a continuing educational opportunity for the serviceman who doesn't choose military service as his career. He will be a more effective member of the reserve organization he joins after leaving the service, and he will be a more effective member of the civilian manpower pool upon which the armed forces must depend for the production of the weapons they require.

It is in terms of the individual serviceman, of course, that the ultimate evaluation of USAFI must be made; for certainly if the individual does not gain in skill, in knowledge, and in perceptiveness, neither his service, the Department of Defense, nor the nation can profit. The records on file at USAFI and the letters it receives from military commanders, educators, employers, and servicemen indicate that USAFI has made a valuable contribution in the past thirteen years—one which warrants the continued strong support of the armed forces and the people of this country as a whole.

# Trade Group Relations and the Conduct of Agricultural Marketing Research

By MARTIN KRIESBERG

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RESEARCH in agricultural marketing was given a new breadth by the terms of the Agricultural Marketing Act of 1946, and the present agricultural situation has given a fresh impetus to this work. The purposes of the act are, broadly, to help the private marketing system achieve greater efficiency, hold down costs of the various marketing operations, and widen the distribution of farm products.<sup>1</sup> The act calls for research at the different stages of the marketing system from farmer to consumer and for cooperation between the federal government and state agencies and institutions to accomplish its aims. It also instructs the Secretary to "cooperate with . . . boards of trade, chambers of commerce, other associations of business or trade organizations . . ." in carrying out the provisions of the act.

Thus the act sets conditions which emphasize the importance of agency-client relationships. The nature of such relationships and some of the administrative problems arising

NOTE: The writer wishes to acknowledge his indebtedness to H. C. Trelogan, B. S. White, and to W. C. Crow, all of Agricultural Marketing Service, for helpful discussion and criticism. The views expressed, however, are the writer's and not necessarily those of his colleagues at USDA.

<sup>1</sup> The act states in part, ". . . a sound, efficient, privately operated system for distributing and marketing agricultural products is essential. . . [it is the] policy of Congress to promote through research . . . a scientific approach to the problems of marketing . . . similar to the scientific methods which have been utilized . . . in connection with the production of agricultural products." After enumerating specific areas of work that the Secretary of Agriculture is authorized to do, the section concludes, ". . . to conduct such other research and services . . . as will facilitate the marketing, distribution, processing and utilization of agricultural products through commercial channels."

from them, such as maintaining responsiveness to client needs, reconciling conflicting client interests, and developing policy in the public interest which yet serves the special interests of clientele, are not new.<sup>2</sup> It is not uncommon to find service agencies zealous and partisan in their clients' interests, and the reciprocal nature of such attachments is recognized by students and practitioners of public administration.

However, governmental research usually has been discussed as something different from service activities. And, perhaps arising from connotations of scientific objectivity, research has been considered to operate somewhat apart from the stresses and strategems often associated with close agency-client relationships. Agricultural marketing research is not usually classified as a service activity within the Department of Agriculture, but it has similar administrative characteristics. It is conducted primarily for use by and as a service to the relevant trade groups, and the processes of formulating policies for marketing research follow those for service activities. This paper is a study in agency-client relations—the relationships between marketing research units in USDA and the firms and associations with whom they work.

## *The Pattern of Trade Relations*

THE Agricultural Marketing Act of 1946 carries no authority for imposing USDA rec-

<sup>2</sup> See, for example, E. Pendleton Herring, *Public Administration and the Public Interest* (McGraw Hill Book Co., 1936), chaps. XV-XIX; also, Marshall E. Dimock and Gladys Ogden Dimock, *Public Administration* (Rinehart & Co., 1953), pp. 47-60.

ommendations on any part of the marketing system. The aims of the legislation are to be achieved, apparently, by close and cooperative work between the federal agency and the trade groups, not only in the conduct of the research but also in its application and utilization. When individual operators in the marketing system adopt the improved methods developed through USDA research a basic purpose of the program is being fulfilled. A general improvement in agricultural marketing (reflected in higher prices to producers, lower prices to consumers, and more abundant and better products) comes about when, within the framework of a competitive system, the less efficient firms emulate those that have adopted more efficient marketing methods and facilities.

#### *Importance of Trade Support*

Methods of conducting marketing research require active collaboration with the trade. Studies on handling produce in warehouses, customer preferences in produce displays, and efficiency of check-out operations in supermarkets require extensive observations in warehouses and stores. The operation of a private marketing system cannot be simulated in a government laboratory. The privately owned and operated stores and warehouses are the laboratories for most forms of marketing research, and they are available only through the cooperation of the trade. Even where the research is primarily an analysis of trade statistics, cooperation is essential for the collection of data.<sup>3</sup>

Support of food marketing enterprises and their trade associations is also important as a means of obtaining utilization of USDA research. By working closely with trade groups, research is kept relevant to their needs. Moreover, as trade groups participate in the conduct of the research they are more likely to accept the findings and to adopt them where feasible.

Trade support, important in the conduct and utilization of research, is essential to the survival of the program itself.<sup>4</sup> Trade groups

<sup>3</sup> Of course, much research in marketing is done on the basis of secondary data; for example, research in the fields of pricing, margins, etc., are gathered from farmers, farmer-owned co-ops, etc. Nevertheless, if reports based on such data are to be utilized by the marketing groups, concurrence in the collection of data and their approval of the reports' contents are desirable.

<sup>4</sup> The tactics of survival among administrative agen-

are in a position to argue effectively for or against research projects. They may go "over the head" of the research unit to administrative officials at the highest levels or appear before congressional committees that consider appropriations. Strong support by the trade groups involved may mean administrative approval of specific studies and favorable congressional action on funds for the research; opposition by the trade groups may lead to loss of funds, not only for a specific study that may be at issue but for larger sectors of the program.

Where there is evidence of trade sponsorship of research and adoption of findings it is clear that the research unit is not "making work" for itself, that it is not working on projects without regard to the needs of the groups for whose use the research is intended. This kind of support indicates that the work is useful and that the government role in the research is acceptable. Such evidence refutes arguments against the work being done by a government agency.

#### *Bases for Cooperative Research*

Relations between USDA research units and the trade groups are complex; the quest for cooperation is not a one-way street, nor motivated by one consideration. Frequently, a trade association seeks collaboration in a marketing research project as part of its program of service to the membership. Research which will help improve member operations is an essential function of many trade associations and the United States government is looked upon as a source of sound research. Accordingly, cooperation on a USDA research program is usually a good investment for the association in terms of member relations.

Where several trade associations represent an industry, as, for example, among wholesale grocers and retail food stores, collaboration with USDA research units may give an association a competitive advantage. Trade associations may therefore propose joint conduct of research, in the interests of the organization itself as well as of the members. Such situations introduce difficult operational problems; they may produce charges of agency favoritism and

cies is discussed by Herbert Simon, Donald Smithburg, and Victor Thompson, *Public Administration* (Knopf, 1950), pp. 381-422.

can result in the alienation of one group or another. The problem becomes especially acute when the competitive relations of two associations cause each to seek an exclusive collaboration with a USDA research unit.

At other times, an association may be unable to take an official position on cooperating with a USDA research unit because important member firms differ on the desirability of doing so. Thus, to serve the segment of the industry which wants to participate in the program, a research unit must work with individual firms. This approach may sometimes be criticized by firms that prefer to have the industry avoid cooperation and by other firms that feel they did not have an opportunity to participate.

In such situations, the public official must weigh the strength of the opposing elements and the implications for the research program of alternative courses of action. A policy of avoiding the conflict by not engaging in research with either element in the industry may not be feasible. Where the legislative mandate clearly indicates work in the area, failure to carry it on is tantamount to confessing inability to administer the program. This is likely to be construed as a deficiency of the administrator rather than of the legislation.<sup>5</sup> A policy of ignoring the dissident element, if it is vocal, may also be undesirable. In practice, the researcher attempts to determine what kinds of research will have broad acceptance and a minimum of opposition; he makes an even greater effort to have the trade initiate the research that is undertaken.

Individual firms sometimes ask the USDA to use their facilities for research. Such requests often spring from a desire to learn how to operate more efficiently and to participate in making a contribution to the industry. However, other motives also inspire requests for

<sup>5</sup> It has been observed by students of politics that a piece of legislation may leave unresolved the differences between the groups concerned so that it becomes necessary for the administrator to reconcile the conflicts as best he can. The Agricultural Marketing Act, in similar vein, indicates a concern for the farmer and consumer but requires the active cooperation of the various "middlemen" who take the food and fiber from the farm and make them available in accordance with consumer wants. It may be questioned whether the interests of the producer and consumer are identical with the interest of the distributor.

collaboration. Among smaller organizations particularly, working with the USDA adds prestige to the firm and contributes to better employee morale. The presence of outside personnel and the interest evidenced by management and the USDA in specific operations are likely to give the employees concerned a sense of greater significance. Management and its aims may also be seen in a new and better light, thereby contributing to better spirit.

Although the problems of maintaining mutually satisfactory relations with trade groups are a constant source of concern for the researcher, he is often most immediately concerned with obtaining cooperation on a specific project. The reluctance of business firms to cooperate may have one or several bases, including fear that confidential information will be made available to competitors, fear that information may subsequently be used for purposes of regulation, a feeling that nothing of practical value will come from government study, and just general aversion to governmental activities. These attitudes have been fostered by the extensive regulations necessary during World War II, and to a lesser degree during the Korean War, and by the personal convictions of some individuals concerning government-business relationships. Against this background, the motives of the research administrator are often suspected—even by the trade groups he seeks to serve. Furthermore, distribution functions are increasingly carried on by larger corporate organizations and cooperative associations that have, or that believe they have, resources adequate to deal with their problems.

#### *Facilitating Trade Cooperation and Agency Responsiveness*

A part of the researcher's job is to be responsive to trade needs and requests for cooperative studies. To accomplish these purposes, he seeks to gain familiarity with industry problems and acquaintanceship with industry leaders. Periodic field tours are helpful in permitting him to gain first-hand knowledge of trade conditions and to obtain trade reaction to studies being contemplated. Attendance at trade conventions, too, gives the researcher opportunity to discuss research his staff is engaged in and to

keep abreast of issues currently commanding the industry's interest.

In addition to the informal contacts, periodic field tours, and convention appearances, advisory committees are appointed to facilitate trade cooperation and to maintain responsiveness to trade wants. Industry advisory committees are used at the USDA, not only in connection with research, but in other areas as well. These committees, officially representing the industries concerned, are requested to recommend lines of research, to indicate the priority that should be given the different lines, and to evaluate research undertaken. The selection of committee members is based on their ability to contribute to the purposes for which the group is established. Paramount in the agency considerations are the individual's sympathy with the over-all research program, his standing in the industry, his familiarity with the trade and its problems, and how well the members, as a group, will represent the given commodities or part of the marketing system.

Although advisory committees are a means whereby the researcher may maintain better trade support, relations with the committees are also a source of administrative problems. It may not be feasible to appoint only members who are in sympathy with the research program, and therefore dissident notes, although in the minority, are sometimes sounded in committee recommendations. Committee members often take the point of view that their function is not merely to advise, but rather to govern and control activities, and, given a position in the policy-making process, their interpretation can frequently prevail. Moreover, a research administrator may sometimes have little voice in the composition of committees concerned with his work: the secretary of an important trade association or his choice may need to be considered, the administrator may "inherit" a committee from his predecessor, or a committee principally interested in the action program of a commodity branch may make recommendations about marketing research which are only secondarily concerned with the particular commodities. The composition of a committee may be such that only one or two members are familiar with a field and therefore the views of one or two people may prevail as the opinion of the whole committee. Indeed,

among some people engaged in marketing research, there is a feeling that many advisory committees are weighted toward production research and activities, and that marketing research is not fully understood, or adequately supported.

#### *Some Special Conditions Affecting Agency-Client Relationships*

Research units which are part of planning, as against action, agencies tend to view their functions differently and in turn are viewed differently by trade groups. Studies conducted within the framework of general agricultural policy planning are likely to be more concerned with recording and interpreting trends and less with meeting immediate trade problems. Business groups are likely to be less understanding of and less sympathetic to such research. Part of this antipathy arises from considerations previously noted and part from some aversion to governmental "planning."

The pattern of trade relations will also differ where the research activities are well established as against those of recent origin. For example, current research on grades and standards of agricultural products is an activity that has long been well accepted in trade circles. On the other hand, research in food retailing, particularly on problems of management and operating procedures, still faces some opposition in the trade. Where the function is well established, the unit may operate more independently of the trade; sources of friction may have been overcome and the nature of the relationship worked out on mutually satisfactory terms. On the other hand, a new research activity, despite congressional intent, may face considerable difficulty in establishing itself with the trade. In this case, a higher proportion of time is devoted to such activities as soliciting trade requests for collaboration on research projects and obtaining favorable trade publicity in the journals and conventions. These are tangible evidences of trade acceptance and, when obtained, facilitate the conduct of research and the subsequent utilization of its findings.

The trade relations of research units which are part of offices having regulatory, production adjustment, and price support functions are likely to be somewhat different from those of

units concerned solely with marketing research, service, or agricultural program planning. In the former situation, firms may cooperate on marketing research because they feel it will help on other, and for them more important, programs. On the other hand, the collection of statistics on business operations may be hindered because the motives behind the request are suspect. Although research offices having regulatory or other trade functions are likely to work more intimately with many firms in the industry and thus gain better insight into the problems of the trade, objectivity and the solutions of problems may be limited to those views already accepted in the trade.

#### *Some Implications for Research Policy and Administration*

THE pattern of trade relations influences a research administrator in his formulation of research projects and in his role as supervisor of research personnel. The research administrator seeks to chart a course which is at once acceptable to the trade groups whose support is necessary and consistent with his concept of the national interest.<sup>6</sup> He tries to evaluate each research project in terms of these same considerations. With survival of his research program as a measure of administrative acumen and research expertness, the research undertaken tends to follow the wishes and expectations of influential firms and their trade associations. Responsible public officials try to bring these wishes and expectations into line with the broad purposes outlined in the legislation, but differences may be compromised in the interest of good trade relations.

In practice, experimentation in subjects explored or in research methods may not be encouraged. Research which has been favorably received by the trade is repeated in various forms. This continuity of research may find expression in: (1) research methodology; for example, consumer opinion surveys may be conducted on various aspects of food marketing; (2) cooperation with particular trade groups; for example, several studies may be done with one firm or with one trade association where favorable working relations have been estab-

<sup>6</sup>On this problem of administrative definitions of the national interest, see the pioneer work by Herring, *op. cit.*

lished; (3) areas of research; for example, studies may be done on margins, materials handling, management development, or work simplification at various stages of food marketing and in various marketing facilities.

From time to time, new and promising areas of research are explored, but often this is done by localizing the undertaking in the hands of one researcher and maintaining an official position of aloofness, so far as possible, until there is evidence of support from the trade. Where support is not obtained, further experimentation in the area may be halted. Personnel and funds are transferred from less productive (and therefore less popular) lines of work to those which have found favor with the trade.

To avoid the likelihood of abortive research, numerous subjects for research, though perhaps within the broad policy lines set by Congress, are sometimes treated as taboo. For example, studies in the following areas might contribute toward more efficient food marketing but might be approached with circumspection by the USDA: the contribution of certain kinds of advertising programs to efficient food marketing; means of limiting duplication of marketing facilities and services; and wage scales and trade union policies as factors in productivity. Some of these topics involve considerations beyond the scope of functions of the USDA and therefore properly are not the province of departmental activity alone. Also, these topics, if pursued, might place the stamp of a government agency's approval or disapproval on certain aspects or operations in food marketing which the trade prefers to deal with alone. In some instances, the leaders in an industry would be reluctant to encourage research which might alter their position in the competitive system.

The need for trade cooperation to facilitate the conduct of individual studies and the desire to obtain trade utilization of the findings make for practical research. Projects are designed and expressed so as to indicate the likely gain for the individual processor, shipper, wholesaler, and retailer, as well as for the industry. This means research which can contribute to lower operating costs, lower overhead, or increased sales, thereby leading to increased profits. It is anticipated that, in a competitive system, lowered costs at each stage of the marketing chan-

nel not only help the "middlemen" but, in the long run, contribute to better prices for farmers and consumers.

Probably inherent in research programs undertaken on behalf of the trade is an absence of organized consumer-interest pressure. Of course, food retailers are close to the consumer and seek to operate their stores in accordance with consumer needs and convenience. Nevertheless, in the absence of consumer-interest pressure, some kinds of research are not undertaken; the topics precluded from study by trade indifference or antipathy are likely to remain unsupported.

Another issue stemming from the influence of close trade collaboration is the question of applied versus basic research. Trade groups are most concerned with research which helps them meet today's problems. They have difficulty in accepting the value of long-range research when there are unfilled present needs. By the nature of basic research, results are not immediately recognized and accordingly there may be no tangible evidence of returns from money appropriated for research. Thus the research administrator may find that strict adherence to the trade point of view may mean an absence of support for long-range research.<sup>7</sup>

The importance attached to obtaining trade support and maintaining good trade relations affects the relationship between the research administrator and the individual researcher on his staff. Where a researcher has strong trade support, the authority of the research administrator may be weakened, since he would be reluctant to do anything which might jeopardize the trade support obtained. Because of the independence gained and because it may lessen the role of his superiors, a researcher may be too well liked by the trade from an organizational point of view.

Where the contribution made by research is

<sup>7</sup> There are, of course, other factors which influence the development of research policy and the researcher's concept of national interest. The focus of this paper, however, is on trade relations; the effect of such factors as agency structure, professional affiliation, and personal aspirations are noted only as they bear on this factor. A detailed analysis of the socio-psychological factors in administrative decision-making is made by Chester Bernard, *The Functions of the Executive* (Harvard University Press, 1945) and Herbert Simon, *Administrative Behavior* (McGraw Hill Book Co., 1948).

measured so largely by trade popularity and support, the researcher's own value is dependent in large part on his standing with the trade.<sup>8</sup> This may lead to competition within a research unit over authorship of articles and invitations to speak at conventions. For the individual researcher involved, trade publicity justifies his efforts and indicates to his colleagues that he is contributing his part in maintaining good trade relations. Accordingly, it is incumbent upon researchers in agricultural marketing to cooperate with editors of trade publications on articles covering research done and to address trade conventions and "clinics" whenever possible.

Differences between researchers, and between researcher and administrator, may also occur over contacts with representatives of trade associations and over preferences for working with one association or another. As previously indicated, participating in a cooperative research undertaking with the USDA may give a group (or an individual in it) opportunity for personal gratification. Where the number of cooperators who can be accommodated is limited, and claimants are numerous, such recognition may have a bearing on the group's relationship with the USDA unit, and hence with the status of the individual researcher.

An organizational step to strengthen the department's marketing research activities was taken by the Secretary of Agriculture in his departmental reorganization of November 2, 1953. Marketing research and statistics programs were placed under the direction of a deputy administrator of the Agricultural Marketing Service. Marketing service and regulatory activities were grouped under a second deputy administrator. Under the terms of this reorganization a marketing research division was established which included the relevant marketing research activities of several former agencies such as the Production and Marketing Administration and the Bureau of Agri-

<sup>8</sup> For a provocative discussion on this general point, see Norton E. Long, "Power and Administration," 9 *Public Administration Review*, 257-64 (Autumn, 1949). Of course, such factors as standing with professional organizations and institutions are also important, but they are less likely to mean support for the agency's research.

cultural Economics. The reorganization of marketing research activities was not intended to, nor is it likely to, alter the relationship between the researcher and the trade groups with which he works.

Although the trade relations practiced impose some limitations on research undertaken, these relations are not without their advantages and the net influence is probably salutary. Limits to research activities are inevitably imposed by availability of funds, researchers' interest and competence, and the stage of research methodology. Given the goals set forth by the Act of 1946, the primacy accorded to trade considerations would appear sound. If actions toward holding down marketing costs and widening distribution of food and farm products are

to be effective, they must be taken by the private operators at each stage in the marketing system. Actions are not likely to be taken which are inconsistent with sound business practices and the interests of the individual operator. Research which does not win trade acceptance and induce operators to try the more efficient and effective practices can contribute little toward the purpose for which it was designed. The process of assisting a private marketing system here described may seem slow and cumbersome. In the long run, however, this process is likely to be more effective than one in which new practices are imposed by government fiat, or one which assumes that operators will adopt new ideas because they are reported in a government document.

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#### The Basic Objective of the Social Scientist

Of serious present concern is the need for bridging the gap between scientists and scholars and the general public. The common aspirations basic in the learned world today need to be stated and restated with eloquence and conviction for the man in the street to hear. The welfare of the community of learning is dependent upon understanding and support by the larger community of our democratic society. Have we not been coasting along on popular support of science for the gadgets and comforts it produces, and on public tolerance of scholarship because education is good for the young? Support for research, sympathy for higher learning, confidence in the value of intellectual pursuits—all these must rest upon a general public understanding of their objectives and methods.

The basic objective of the social scientists is the same as the aim of the earth scientists and the life scientists and the physical scientists, and of the humanists and the philosophers. It is the objective of all men of good will, seeking the good life: it is to release the best of mind and spirit to realize human potentialities. The methodology of all learning is subordinate to the purposes sought and to be vital must be changing and developing. My plea is for pluralism of intellectual effort and shared respect for varied methods of inquiry and forms of knowledge. It is this universe of discourse that needs to be understood and appreciated by our fellow citizens as never before.

—Pendleton Herring, "Toward an Understanding of Man," 99 *Proceedings of the American Philosophical Society* 45 (April, 1955).

## The Administrator's Dilemmas

By Robert S. Herman, Division of the Budget, State of New York

If he's late for work in the morning, he's taking advantage of his position.  
If he gets to the office on time, he's an eager beaver.

If the office is running smoothly, he's a dictator.  
If the office is a mess, he's a poor administrator.

If he holds weekly staff meetings, he is in desperate need of ideas.  
If he doesn't hold staff meetings, he doesn't appreciate the value of teamwork.

If he spends a lot of time with the boss, he's a back slapper.  
If he's never with the boss, he's on his way out.

If he goes to conventions, he's on the gravy train.  
If he never makes a trip, he's not important.

If he tries to do all the work himself, he doesn't trust anybody.  
If he delegates as much as possible, he's lazy.

If he tries to get additional personnel, he's an empire builder.  
If he doesn't want more employees, he's a slave driver.

If he has lunch in expensive restaurants, he's putting on the dog.  
If he brings his lunch to the office, he's a cheap skat.

If he takes his briefcase home, he's trying to impress the boss.  
If he leaves the office without any homework, he has a sinecure.

If he's friendly with the office personnel, he's a politician.  
If he keeps to himself, he's a snob.

If he makes decisions quickly, he's arbitrary.  
If he doesn't have an immediate answer, he can't make up his mind.

If he works on a day-to-day basis, he lacks foresight.  
If he has long-range plans, he's a daydreamer.

If his name appears in the newspapers, he's a publicity hound.  
If no one has ever heard of him, he's a nonentity.

If he requests a larger appropriation, he is against economy.  
If he doesn't ask for more money, he's a timid soul (or stark mad).

If he tries to eliminate red tape, he has no regard for system.  
If he insists on going through channels, he's a bureaucrat.

If he speaks the language of public administration, he's a cliché expert.  
If he doesn't use the jargon, he's illiterate.

If he writes for the *Public Administration Review*, he's neglecting his work.  
If he has never written an article, he hasn't had a thought of his own in twenty years.

If he enjoys reading this, he's facetious.  
If he doesn't think it's funny, he is entitled to his opinion.

# Reviews of Books and Documents

## The Governments of All Our States

By Hallie Farmer, Alabama College

AMERICAN COMMONWEALTHS SERIES. W. Brooks Graves, Editor. Thomas Y. Crowell Company.

*The Government and Administration of Florida*, by Wilson K. Doyle, Angus McKenzie Laird, and S. Sherman Weiss, 1954. Pp. 444. \$4.95.

*The Government and Administration of Mississippi*, by Robert B. Highsaw and Charles N. Fortenberry, 1954. Pp. 414. \$4.95.

*The Government and Administration of New York*, by Lynton K. Caldwell, 1954. Pp. 506. \$4.95.

*The Government and Administration of Wyoming*, by Herman H. Trachsel and Ralph M. Wade, 1953. Pp. 381. \$4.95.

THE examination of our federal system bids fair to reach flood proportions before long. The Hoover Commission reports, the report of the Commission on Intergovernmental Relations, and a variety of Supreme Court decisions have stimulated lay and professional interest. "States' rights," which was believed to have been decently interred at Appomattox, has undergone a resurrection. Not since 1850 has the phrase been able to engender such heat as it does today. The state, which in the early history of the United States was the senior partner in the federal system and which in the middle of the nineteenth century was very much the junior partner, is fast returning to a position of strength. It is probable that we can look forward to some decades of a coexistence more nearly equal than ever before in the history of the federal partners.

Today states' rights is not a sectional issue. From Maine to California and from the Great

Lakes to the Gulf, it is a rare state which is not ready to do battle for its "rights" against the federal government. Tidelands oil, desegregation, double taxation, public welfare, and public power are merely spectacular episodes in a struggle for power in which the states are becoming increasingly aggressive.

It must be admitted that this revival of interest in the states, their rights and their governments, caught professional students of government unprepared. Political scientists have not taken state government too seriously in the twentieth century. A casual examination of scholarly journals, subjects of Ph.D. theses, and book reviews will prove this point very quickly. There are many scholarly publications in the international field and many devoted to "American government," but where is there one such publication devoted to state government? Dozens of doctors' theses are written in the field of federal government for every one written in the state field. Anyone who has tried to prepare a respectable bibliography on any area of state government learns very quickly that books are few, magazine articles rare, and most of the Ph.D. theses in the field unpublished. Political scientists, therefore, find themselves today faced with increasing demands for information about state government which they do not have. It takes no prophet to predict that in the next few years there must be an intensive examination of this field.

Perhaps political scientists should not chastise themselves too severely for their neglect. For the study of state government is not easy. There are 48 states and there may be 50 before many more sessions of Congress have passed. Each of them is a separate problem requiring intensive study. This is the first step and it

must be taken by scholars working at the state level.

On the whole, this part of the task is being undertaken. Doctors' theses (and some very good masters' theses) on governmental problems of particular states are appearing in increasing numbers. Bureaus of public administration and legislative councils in some states are making valuable studies. While state records, which must be the source materials for such study, are still poorly kept and poorly organized, they are improving. Recognizing, as we must, that the quality and the quantity of the work done varies from state to state we may say that at least we are making progress.

The second step in examining state government is, of course, coordination. How can political scientists draw together the studies done in individual states for examination, comparison, and evaluation? How can they make the generalizations and develop the principles which are necessary before we can say that we have a science of state government? This second step may give pause to the hardest member of the craft. The task of studying the office of governor in one state may not be too difficult. The task of studying 48 offices of governors in 48 states may seem beyond human capacity. The cost in time, in energy, and in money will be prohibitive. It is at this point that we are facing the major problem in any scientific approach to the problems of state government.

We are not entirely without resources. Data collected by the Council of State Governments are a very present help. However, the council would be the first to admit that its primary purpose is to serve state agencies rather than scholars. This imposes very definite limitations on the usefulness of the council to the political scientists. We are the servants of the council. It is not ours.

A project designed to pull together information which can be used by students of state government is in process. The *American Commonwealths Series* of volumes on government and administration in the different states, edited by W. Brooke Graves and published by Thomas Y. Crowell, is just being released. It is the purpose of this series to present as completely as can be done in 400 pages the available data concerning the government of each

of the states. Four volumes (Florida, Mississippi, New York, and Wyoming) are in print. A fifth volume will appear in September. After that, it is planned to issue three or four each year until 52 volumes—one for each of the states and four dealing with the territories—have appeared.

This leads to the first reservation in the mind of the reviewer. It relates, not to the content of the volumes, but to the plan of publication. If three or four volumes are published each year the current volumes will be at least twelve years old when the last volume is published. State governments, static as they sometimes seem, do change. Such slow publication may well destroy much of the value of this series for the student of comparative state government.

The editor has selected the authors of the various volumes with care. In every case the author is a political scientist, known and respected in his state. Every author has also had training and experience in public administration. Each of the volumes gives evidence of competent workmanship.

Without following a rigid organization, the different volumes follow a similar pattern. They are clearly built around a common outline. Each volume begins with a brief sketch of the history of the state and its economic resources. This is followed by a description of state politics. Then comes an examination of the government of the state following the conventional pattern—the state constitution, state legislature, executive, administrative, and judicial agencies. Finally, there is a chapter dealing with needed reforms in the government of the state under examination. This uniform organization makes possible an accumulation of comparable data which will prove useful to students of state government everywhere.

The volumes are not products of scholarly research. They are rather designed to pull together the facts concerning the states which furnish the foundation for research. Readers of the *Public Administration Review* will welcome particularly chapters describing state agencies. They bring together for ready reference material which up to this time has required much searching to collect. When this series is completed we may have an encyclo-

pedia of state government which will meet a very real need.

The *American Commonwealths Series* is a pioneering venture in another respect. It represents a serious effort on the part of the editor and the authors to present the material in such a fashion that it can be used by both professional and lay students of government. The editor expects these volumes to be useful to high school students, women's clubs and other lay groups, as well as to political scientists. The combination of the elementary presentation useful to the average citizen and the technical presentation desired by the specialist is a difficult one to make. On the whole, the first four volumes of the series seem to have achieved the first objective very well. Only occasionally have the authors dropped into the professional jargon which may give trouble to the lay reader. As high school texts, these volumes would be excellent. Any high school teacher should welcome them and textbook commissions could render real service to their high schools by adopting them for texts.

Some professionals, of course, will be unhappy with what must seem to them an elementary presentation. They should remind themselves that the purpose of these volumes is the accumulation of data. And the data are here. Nowhere else in such small compass can a student find so clear and concise a picture of the government of any state.

Nevertheless, one ends the examination of these books with a sense of depression. This is not due to the material, to the organization, or to the presentation. In these areas the books are excellent. Authors and editor have done as much as could be expected with the material they had to work with.

But there was so little to work with! An examination of the bibliography with which each volume ends points up the poverty of material available to the authors. In what other field of government would a serious author be forced to cite "secondary school texts" as references? In only one of the volumes (Caldwell's *The Government and Administration of New York*) is there any evidence that such things as indexes, bibliographies, and check lists were available to the authors. Gaps in state documents available to them are also evident. Does this not point up what might be

the major task ahead for students of state government? Should we not be concerned with the compilation of indexes and check lists at the state level? More importantly perhaps, should we not be concerned with securing some effective legislation for the preservation of state documents and records?

Reading four of these volumes in quick succession leaves the reviewer depressed for another reason. It is monotonous business. At one point in his introduction to the series, the editor says: "The states are not all alike, nor do they always do things in the same way." It would be difficult to prove this statement from reading the four volumes at hand.

If there is one conviction which outweighs all others for the reader of these volumes, it is that two arguments advanced for the maintenance of the federalist system cannot be sustained by the evidence. Political scientists have been saying for years that in a country as large as the United States the states are necessary because the state government can be adapted to the needs of citizens under varying conditions. If there is one thing that these volumes prove it is that, regardless of the varying needs of the states, the pattern of government has been frozen. In place of adapting the government to the needs of the people, the needs of the people are being forced to conform to the pattern of government. The state governments are not adapting themselves to the needs of people under a variety of conditions. No more damning evidence of this fact can be offered than the fact that it is possible to write an adequate volume on the government of the state of Wyoming and an adequate volume on the government of the state of New York by following an outline which is for all practical purposes the same.

Finally, we must abandon, it seems, the laboratory theory of state government. There is nothing in these volumes to give aid or comfort to the idea that in the states we have 48 laboratories of government, busily engaged in experiments which will in time improve the quality of government at every level. These volumes offer no evidence that the states are in an experimental mood, or ever have been. The bicameral legislature, the elected judiciary, the long ballot, to mention only a few illustrations, are present in all of these states

and give every evidence of remaining for a long, long time.

Can we anticipate that things may be better before the publication of the remaining 48 volumes is completed? "In any dynamic so-

ciet," say Professors Trachsel and Wade, authors of the volume on *The Government and Administration of Wyoming*, "change is present, and it is hoped that it will lead to improvement." It is a faint hope.

## Public Administration and Economic Activity

By Charles B. Hagan, University of Illinois

**ADMINISTRATION OF NATIONAL ECONOMIC CONTROL**, by Emmette S. Redford. The Macmillan Co., 1952. Pp. 403. \$5.50.

**REGULATING BUSINESS BY INDEPENDENT COMMISSION**, by Marver H. Bernstein. Princeton University Press, 1955. Pp. 306. \$5.00.

### I

THE discussion of the connections between economic activity and governmental operation provides a wide range of choices. The two volumes listed above belong in the terrain subsumed under public administration. The traditional tripartite division of governmental activity has been dropped by many students of public administration in favor of Goodnow's bipartite division of governmental activity into politics and administration. More recently the students of the range of matters generally denominated public administration have reexamined that formula, and Goodnow's distinction has been weakened where it has not been discarded. Professor Bernstein has not especially concerned himself with these issues since he focuses his study on the administrative commission, but many of his comments deny Goodnow's distinction. Professor Redford does consider the question in determining the proper range of matters which he needs to investigate, since his essay has broader aims. The key to the "administration" of his title may be found in the following remarks:

. . . realistic students have seen that there is no line separating the two major functions of making and executing policy. . . . The really significant fact is that the function of government is carried through a succession of levels of decision and ac-

tion. What is a policy decision to those at one level of authority, because they have discretion to make it, or must seek higher authority to get it, is a matter of administration to those at higher levels who have conferred on subordinates the discretion to make it.

Yet all is not administration. Every translation of the demands of political superiors into concrete policy is not administration. . . . There is, in other words, an area in which the basic undertakings and the initial guiding points of policy are or should be determined, and beyond this is administration—a function in general of going forward with policy elaboration and execution. The breaking point in the executive branch of government is not always clear. To define an area of study, however, it is enough to say that, in general, administration includes all the work of the branches of government except that done in Congress, the courts, and some of the work done by the President and his political aides and subordinates. (pp. 5-6)

Both authors prescribe a range of action to the administrator that endows him with authority to interpret the purposes of the administrative agency, and both urge the grant of a wide discretion in developing the techniques to attain those purposes. Both are clear that the public interest will be gained in higher degree through such discretion. Their public servant is a knowledgeable, wise, discreet, and efficient person. He surveys his administrative purpose with broad, general aims in mind so that his administrative actions escape the narrow and parochial interests that are likely to influence congressmen and/or politicians. This is a topic to which attention will be turned later.

Mr. Redford undertakes to summarize the basic features of the national administrative

pattern for economic control, but does not try to cover all the facets that could legitimately be included in such an undertaking. He omits the service activities, the fiscal and proprietary areas, personal benefactions, and controls over personal life. He aims to concentrate on the problems in the area of economic regulation and control, and while both institutional management and legal framework could be included, he eschews them to focus on the functional role of administration. The functional approach centers attention on the system of decision making and the action for getting the governmental work done. Consonant with that view, the discussion elaborates (1) the nature and position of administration in economic control, (2) the tools and techniques, and (3) key problems of a very broad nature.

In developing the first part of his assignment Redford explains the bases for the rapid expansion of the activities of a regulatory character and follows with a differentiation of the legislative and judicial functions from the administrative function. The judicial function is that of deciding cases as private parties instigate them and is accomplished by applying the policy of the government to the facts in the particular situation. The legislative function is that of declaring the law and policy which operates in the future. The administrative function is that of positive and continuous activity aimed at getting the policy carried out. It involves the administrators in continuous formulation of policy as they execute their duties. They are not limited to a simple class of duties, for the administrator may be compelled to engage in activity that is judicial and/or legislative in character. The courts and the legislatures have become adjusted to this transference of function, so that it is now a regular part of the administrative process. As the complexity of the administrative function increases, the variety of the practices which the administrator is compelled to use increases. The accompanying fact is that both the legislature and the judiciary become a means by which the administrator is held within the proper bounds.

The legislature has the task, then, of providing the directives for economic policy, but it is impossible for it to spell them out in such a manner that there is no need for administra-

tive emendation. "The Congress may seek to avoid vagueness in its directive but experience gives force to the judgment that 'effective regulation does not permit a rigid and detailed statute.'" (p. 64) Necessity compels Congress to give general direction and the administrative process then makes policy, and in the making it may expand, contract, and veto. This situation is desirable because it allows the administrator who is close to the issues as they arise and competent to handle them to make the detailed adjustments that attach to sound policy. Yet the development in practice has taken place within a set of ideas that forbids administrators to make policy. The outcome in political doctrines is not yet clear, but traditional notions are inadequate to explain the situation and new notions are clearly needed.

Administration has moved to the center of attention in the modern state, and with that development has come new and complicated problems. Since administration has duties, it must have tools to accomplish them. Redford has four long chapters devoted to describing those tools. In that discussion the author provides a running commentary on the traditional tools and all the contemporary developments of new regulatory devices, along with a discussion of the significance and importance of the Administrative Procedure Act. The account is perceptive and intelligent. It shows a massive knowledge of the literature, both legal and administrative, and beyond that Redford draws upon his experience with the Office of Price Administration to illuminate his comments and suggestions. There is nowhere in the literature so precise and informative a discussion. It is a distinctive contribution to current thinking and would alone justify the volume. There is no way to illustrate in brief compass the quality of the discussion, so it will be left to the reader to explore on his own account. There are few, if any, who will not benefit from the perusal.

The third portion of the volume is devoted to a discussion of interest groups, the significance of organization, the safeguards available against administrative absolutism, and a final chapter on the effectiveness of administrative control. Each of these merits comment.

The discussion of interest groups manifests the author's usual thorough examination of

the literature on the topic. The chapter has detailed discussion of a number of varieties of relations between organized interests and an administrative organization and it winds up with a series of admonitions to those engaged in constructing an organization to carry out public policy. But it is the relation between the special interests and public policy that is particularly engaging.

The opening remarks formulate the frame of the analysis.

Administrative agencies are created to put into effect public purposes, that is, purposes set by the organs of government representing the whole public and presumed to accord in some way with the interests of the public generally. Society, on the other hand, is split into economic groups, each having its own interests and each seeking to protect and advance such interests. The relations between administrative agencies—operating under the concept of the public interest, and the economic groups—with their preoccupation with their own ends, give rise to the most difficult problems in public administration. (p. 220)

There is actually only one problem but it has many facets. The problem is how can the public interest, "an inclusive and over-all, a large rather than a narrow, view of the public interest," be attained in the face of the fact that "society . . . is split into economic groups, each having its own interests. . . ." If society is split as the statement has it, it is difficult to see what the public interest can be apart from a dominant special interest. However, Redford insists that the public interest is somehow distinct from a dominant special interest. The solution of the dilemma is Fainsod's. Fainsod had resolved the dilemma by allowing the public officials to have an "independent creative force and manipulative power" which may be used "to maintain an existing equilibrium of interests; it can [also] be used to tilt the scale and create a new equilibrium." (p. 229) An equilibrium must have two parts so that a single or unified public interest is not thereby achieved. All that has happened is that one special interest has replaced another, for there still exists the special interest that has been tilted out of dominance.

Redford is not satisfied with his solution either, for he goes on to assert: "Expert analysis consists in the discovery of the areas of pli-

ability and the means of manipulating these. The maximization of this ability and its conscious utilization for the community ideal provide the best attainable measure of the public interest." (p. 230) He also states that "the administrative mechanism is intertwined with the contest of interests in myriad ways. Interests demand and oppose its creation, expansion, and invigoration. They contest in legislative halls over its purposes, powers, and methods. . . ." (p. 220) The interests are not denied existence but Redford seems to think that somehow they have been exorcised, although his language leaves them within the agencies of government.

Mr. Redford has returned to the issue in an essay in the *American Political Science Review* (December, 1954).<sup>1</sup> In that piece he elaborates his solution and introduces the "creative intelligence" as an additional tool of the administrator. But the piece also asserts that an administrator needs political support to attain his ends of manipulating the special interests. This does no more than say, somewhat more clearly than it is stated in the book, that a special interest will win if it has adequate political support. It recognizes that the administrator needs support from the political branches of the government if he expects to prevail in his policies. The public interest, at least in operational terms, is the program of that portion of the population which wins control of the political branches.

In the exploration of organization as a problem, Redford quickly reaches the differentiation of administrative agencies into two main types: "the contrast between the departmental or bureau type of organization and the commission type. . . ." (p. 274) In the chapter on this subject he surveys the problem to which Bernstein's volume is devoted. The conclusions that Redford reaches are not substantially different from those of Bernstein, although Redford's discussion is more succinct. The line of reasoning by which the commission type of administration is rejected parallels that which Bernstein uses. Redford's formula may be stated: "The basic purpose in administrative organization is to link together

<sup>1</sup>"The Protection of the Public Interest with Special Reference to Administrative Regulation," 48 *American Political Science Review* 1103-13.

the separate activities which have a joint relation to the attainment of a common goal." (p. 315) The separation of activities without adequate centralized control frustrates the "basic purpose." The treatment of the issues involved is clear, pertinent, and convincing, once you have accepted the basic premise.

The survey of "safeguards," which it will be recalled are primarily the functions of the judiciary and the legislature, reaches the conclusions

. . . Judicial review is too occasional and cursory, and is exercised from too remote a point, to supply an adequate corrective for arbitrary administration of economic controls. Moreover, unless applied only at the periphery it runs counter to the basic idea of delegation of responsibility to administrative agents. (p. 346)

. . . The democratic necessity of a large measure of congressional control is generally recognized; this discussion moves, therefore, to some significant aspects of present controls and to the ways in which it may be feasible to provide greater control over the policy aspects of government. (p. 349)

. . . The administrator thinks in terms of over-all results and of the necessity of avoiding discriminatory action; the Congressman is continuously forced by the action of his constituents to think of individual cases, and his political experience makes him think in terms of "human" factors rather than "the needs of the service." (p. 353)

Obviously the current practices of congressional operation would need to be revised to attain satisfactory oversight if it is to be an over-all public interest.

A possible way out of the cul-de-sac into which American political institutions have wandered is to use the executive, i.e. the President, as the over-all supervisor. And Redford discusses this alternative. His concluding paragraph is quoted:

For a safeguard against the dangers of "administrative absolutism," so far as these relate to policy formation, the answer is the executive directorship and a coactive Congress. The dangers lie not in the overgrowth of the executive directorship, but in the natural limits upon the comprehension and span of action of a central planning and directing mechanism in a structure as large and diversified as the national administration, and in the failure to provide for a proper reorganization of the work

of Congress so as to focus its attention on the proposals and decisions of the executive directorship. (p. 364)

If that strikes the reader as placing him at the mercy of his administrators, he may gain hope from the additional safeguards that are suggested. These may be found in rules and practices for the internal operations of the administrative agencies and in the development of an ethics for administrators that requires self-denial. Moreover, there are safeguards in the independence of the channels of communication and in the actions of groups who are vigilant in protecting their interests. Evidently these are to be escapes from the "administrative absolutists."

## II

**M**R. BERNSTEIN'S study of the independent regulatory commissions can best be understood if it is treated as a plea for their abolition. His major premise is that the United States has chosen to attain its economic goals via the regulation of private business activity rather than via public ownership. In the execution of a program of control or regulation (the terms are interchangeable) the national government must integrate and coordinate our related economic programs into a common plan. The public interest is to be achieved most effectively by the recognition of that underlying fact. Unless there is a coordinated and integrated program, special interests will unduly influence the activities of the separate regulatory agencies and, thus, the public interest will be injured if not destroyed.

Bernstein's conviction of the accuracy of that analysis has been heightened by the developments since 1940. In this decade and a half the experience with military mobilization, the transfer to the President's Office of a responsibility for the maintenance of a minimum standard of living for all Americans, the promotion of agriculture and labor, the recovery from the depression, and the increased reliance on fiscal policies are evidence that compel the recognition of the necessity for unified direction of national regulatory activity. Since the expansion of public ownership to the point at which the government might unite all economic enterprises in a common undertaking is a remote and improbable development, at-

tention then must be devoted to development of the regulatory policies.

The development of adequate and satisfactory policies of a coordinated and integrated character requires an administrative system which embodies that necessity. It is clear from Mr. Bernstein's discussion that the same conclusion has not been so clearly seen by others, and his volume can be understood best as an attempt to aid the general public in seeing that which is nearly obvious.

The public interest can scarcely be identified and defined short of effective coordination of the various regulatory programs with each other and with national economic policy. As regulatory policies are fitted into a coherent program of national regulation of economic affairs, the nature of the public interest becomes less abstract and less dependent upon the limited experience of the individual commission.

Executive coordination should supplement, not substitute for, Congressional formulation of objectives and general policies. But the need to develop a coherent program of national regulation of economic affairs highlights present obstacles to the coordination of regulatory programs and national economic policies. Does there exist coherent and coordinated economic planning with reference to which the regulatory agencies are out of line? On the whole such central planning and supervision are not found in the national government. The real difficulty lies not in fitting the programs of independent commissions into national economic policy but rather in developing national economic policy itself. The finding of the Hoover Commission's Task Force on Regulatory Commissions that coordination of commission activities with the activities of the executive branch has not been a serious problem does not reflect effective coordination or the willingness of commissions to be coordinated. It merely illustrates the planlessness of the economy and the general disorder of which the independence of regulatory commissions is merely a part. (p. 169)

With such views as a premise, Mr. Bernstein undertakes to survey the development and operation of the independent regulatory commissions. These were "the most important instrument[s] of national regulation" prior to 1940. Since that date they have declined in importance because of the developments indicated above, and they are now "marginal" by virtue of the assignment of the most important regulatory tasks to the agencies of the executive branch. The author's objective is "(1) to evalu-

ate critically the role of the independent regulatory commissions, (2) to develop a more realistic concept of the process of governmental regulation, and (3) to appraise the independent commission as an agent of governmental regulation at the national level." (p. 7)

The study opens with a brief intellectual history of the development of the independent commissions, beginning with the Interstate Commerce Commission and continuing to the present. The intellectual history is followed by an excursion into what is called "the life cycle of regulatory commissions," a chapter that is unnecessary to anything that precedes or follows it. Thereafter the book is concerned with the operations of the commissions. It winds up with some observations on the requirements of an adequate regulatory process and the failure of the commissions to meet those requirements. It is not concerned with all the niceties of the administrative refinements and the clarity of organizational charts. It is more concerned with the "highly political process embracing some of the most controversial areas of public policy."

The chapters on the intellectual history show that the supporters of the commissions intended somehow to take them "out of politics," to gain expert and continuous administration of the policies formulated by the Congress. At all times the commissions have been the targets of bitter criticism, yet they have survived all the attacks and still have substantial support in Congress and elsewhere. In Bernstein's opinion the basic theory that supports the commissions is a naive and an inadequate theory of the administrative process. Moreover, the commissions are, in his judgment, ineffective and inefficient agents of public administration. With such fundamental inadequacies the reader may well wonder why the commissions have not only survived but also increased in number over the years. In the recent session of the Congress all the traditional claims were made for such agencies, and there was no denial of their validity. One may well wonder who possesses the naive theory of the governmental process.

It is somewhat difficult to convey the structure of the total argument here for it moves at several different levels and not always consistently. As has been said above, Mr. Bernstein has a series of convictions as to how the politi-

cal and administrative process ought to function which require centralized planning and integrated policies pervading the executive and other administrative agencies. The process is "highly" or "intensely" political and not outside of politics. The process that he finds violates all of those standards. There is no centralized planning of an over-all or a piecemeal character. Policies are worked out in the various agencies with little or no communication among them. Especially is this the case with the regulatory commissions. Moreover, Congress, he observes, is either indifferent to the need to furnish any over-all planning for a national economic policy that incorporates the separate policies, ill equipped to provide it, or both. In consequence, the agencies with the regulatory responsibilities work out as best they can the adjustments of their clientele that are denominated policy.

The slogans of "independence" and "keeping the commission out of politics" are interpreted as devices for enabling the agencies to escape popular controls. The conclusion is also implied that the commissions could be "out of politics." The separation from politics presses them toward inertia, complacency, fragmentation of activity, and narrow vision. "The single most important characteristic of regulation by commission is the failure to grasp the need for political support and leadership for the success of regulation in the public interest." However, if political skill is taken to mean capacity to survive in the harsh struggle of conflicting parties and pressures, it would be more accurate to conclude that the commissions have been "intensely political" by being "nonpolitical." Moreover, the evidence in the present volume supports such a conclusion.

The traditional merits of the commissions are denied *seriatim* by Bernstein. They are not expert because their vision is too narrow. They endure a questionable "independence" from the Congress and the President. They are not responsible, since there is no easy way for either the President or the Congress to call them to account. (Any contradiction in those statements may be credited to Bernstein.) The commissions cannot successfully promote the public interest since they represent a low order of special interest adjustment which leaves out of their vision the interests that get represented at higher levels of administrative

action, e.g. department heads and the President. It is conceded that more integration in policy cannot be achieved without striking at the "centrifugal forces in American politics" which are considered to be so strong that the "independence of the commissions is relatively minor." The commissions are "fair" in their treatment of private parties. "The failure to utilize the planning process effectively has been one of the major defects of regulation by commission." (p. 176)

A chapter is devoted to the politics of adjudication in which the movement that led to the Administrative Procedure Act is interpreted to be an attack on the substance of the policies of the regulatory agencies. A chapter is devoted to surveying the enforcement of regulations, which concludes:

Enforcement activities of the regulatory commissions tend to be weak, poorly staffed, and inadequately supported. They are marked by over-all inadequacy and reluctance to experiment with new enforcement techniques. Incentives to induce compliance are rarely articulated, and deliberate planning of compliance programs is conspicuously absent. The interdependence of regulatory controls is ignored. (p. 249)

Two final chapters discuss an approach to the regulatory process and an appraisal of regulation by commission. It is in these chapters that Bernstein articulates the fundamental premises that have been summarized earlier.

Heretofore, there has been no indication of which of the national agencies fit into the category of the independent commissions. Only seven of the many possibilities make the grade; they are the Interstate Commerce Commission, the Civil Aeronautics Board, the Federal Power Commission, the Federal Communications Commission, the Federal Trade Commission, the National Labor Relations Board, and the Securities and Exchange Commission. These are regarded as primarily regulatory in character, and it is that quality with which Bernstein has been particularly concerned. The most striking omission is the Board of Governors of the Federal Reserve System, and that omission is explained in a footnote. It is there stated: "The rather unique position of the Federal Reserve System as a governmental institution suggests that little is gained and much may be lost by retaining the classification

of the Board of Governors as an independent regulatory commission." The ground of the exclusion is stated: "The close relation between the management of the public debt and the maintenance of economic stability through monetary controls has placed a special burden of policy integration upon the Federal Reserve System." (p. 8)

There is nothing in the statute to impose any such "close relation" or "special burden." If one is to take seriously these views about the need for integration of policies, the same "close relation" and "special burden" exist for all of Bernstein's regulatory commissions. There is no explanation or discussion of this matter in the study. If he had developed a theory of the process adequate to explain the absence of such "special burden" for the commissions that he surveyed and its existence for the FRB, a wholly different theory of the political process would be necessary.

### III

THE two studies here under review manifest similar biases as to how a political system ought to operate. The ideal system<sup>2</sup> would be one in which the legislature makes a policy declaration of a general character that incorporates all members of the body politic and then assigns to a civil service of intelligent and ethical administrators the duty of developing the detailed programs for carrying out the *policy*. It is assumed that there is such a policy that embodies all members of the body politic. At times it would seem implied that those who objected to such *policy* are either ignorant or needlessly obstinate. It is essential that the agencies making such *policy* should relate in one integrated plan or program all parts of the governmental activity.

It is not meant to say that the authors expect that such a political system ever existed or would exist. However, a system is good or bad in the degree that it approaches that ideal or moves away from it. Both, however, have

<sup>2</sup> "Ideal" is used with the meaning that it is a possible and desirable set of arrangements. It is not used in the sense of model, although both authors at times have written with such an implicit meaning. The intention in this paragraph is to convey a sense or feel for the assumptions, implicit or explicit, of both Redford and Bernstein.

observed the American political system and find substantially the same kinds of activity, and very little of what they have observed conforms to their ideal. The Congress is a collection of local representatives or delegates who devote primary attention to the needs or desires of their constituencies. Obviously it could not achieve the goal of an integrated policy. The courts are influenced primarily by considerations other than the need for policy integration and operate in an intermittent manner. Neither the Congress nor the courts can be expected to perform the requirements of the ideal. The Presidency most nearly meets the ideal. It operates at the highest level of "reality" or "generality" and must or could reconcile and/or integrate the lower level pressures into a general public interest program. The considerations that impinge at that level embody the public interest. Moreover, that office has control of the intelligent and wise public servants or bureaucrats.

Both of the authors constantly insist on the administrator's need for strong support from the political branches of the government. Yet their description of the Congress makes it into a parochial body that is unable to rise above the special interests that dominate the niches of power. The courts are also distrusted as representative in any effective way of the public interest. The President is the remaining stronghold to represent the public. Curiously, neither of the authors undertakes to describe the constituency of the President. Somehow or other he is regarded as furnishing a better route to the public interest. It is not shown how the President can escape the influence of the interests that put him in office. Redford's "creative intelligence" is intended for such midwifery, and judgment has been expressed as to its skill. Bernstein apparently does not see the need for an intermediary.

The contributions of the Redford volume are many, and it is a valuable addition to the literature on economic controls. The Bernstein volume produces a mixed reaction. There is a mass of material and incident bearing on the operations of the commissions, and perhaps the major contribution is to be found in the localization of that material in one place.

## Public and Private Management

By John J. Corson, McKinsey and Company

**THE PRACTICE OF MANAGEMENT**, by Peter F. Drucker. Harper & Brothers, 1954. Pp. 404. \$5.00.

**MANAGEMENT IN THE PUBLIC SERVICE**, by John D. Millett. McGraw-Hill Book Company, 1954. Pp. 417. \$5.50.

### *Management—an Art or a Science?*

IS MANAGEMENT an art or a science? Theoreticians have debated this question for decades. And if they look to these books to aid them resolve the question, the debate may continue for additional decades. For the lesson to be learned from these books is that brilliant and experienced thinkers may view management in quite dissimilar terms. The authors of these two books, if one accepts the conclusions of both, demonstrate that the accomplishment of work through the efforts of other people is simultaneously an art and a science.

Peter F. Drucker, trained as an economist, experienced as a teacher and consultant to large corporations, is a philosopher at heart. John D. Millett, college president, formerly a professor of public administration and at one time a federal administrator, if his book is to be believed, voices the point of view of the practitioner.

To Drucker, management is an art (even though he denies this categorically, p. 349) requiring at least "one qualification that the manager cannot achieve but must bring with him. It is not genius; it is character." "Personal integrity" he declares at another point, "is of the essence." Millett, I am sure, would attach no less importance to the noble virtues of character and integrity, but his book suggests that he attaches greater importance to the knowledge and techniques that have been accumulating in recent decades as to how one accomplishes the work of an enterprise through the use of other human beings. He writes of management as a pragmatic process for which an increasing body of rules and standard practices have been established.

The theses of these two books can be best set forth by borrowing from Drucker the four-part

framework around which his book is written. He deals in turn with: (1) setting objectives, (2) managing managers, (3) structure, and (4) the management of worker and work.

### *How the Manager Charts a Course*

THE task of charting a course for the whole business in private enterprise is, as Drucker points out, a much neglected field. Much has been written about setting objectives for the various functions of a business—production, finance, sales, or personnel—but little about the manager's responsibility for setting objectives for the whole business. Drucker's contribution, entertainingly and stimulatingly written, is, therefore, all the more valuable. He introduces what he has to say by "The Sears Story," a description of the reasons underlying the vast success of the Sears Roebuck & Company. He emphasizes the manager's large responsibility for determining the function to be performed by the enterprise in relation to time and place. He then proceeds to describe, in imaginative terms, the eight key areas in which the manager must set objectives of performance and results: "market standing; innovation; productivity; physical and financial resources; profitability; manager performance and development; worker performance and attitude; public responsibility." His description of each will stretch the imaginations of most businessmen, even those who indulge in the unusual exercise of thinking about the job they do.

Much of what Drucker deals with in his discussion of the setting of objectives, Millett reserves for another book he proposes to write. He distinguishes quite usefully between the "politics of administration," i.e., "how administrative agencies in our government are kept subject to popular direction and restraint in the interests of a free society" and "management," i.e., "the operation of administrative agencies as such." And this distinction sheds light on a basic difference between the responsibilities of the private executive and the public administrator.

The private executive, if you will accept

Drucker's word for it, has a large responsibility for formulating and communicating the basic role to be played by the enterprise, for determining "what is our business—and what it should be?" The public administrator, while not devoid of responsibility for participating in the determination of objectives by the legislators, has a more limited responsibility. Simultaneously the public administrator, without the yardstick of profits, has a more difficult responsibility for setting operating goals and standards. He is confronted with the complex task of defining goals and establishing measures of accomplishment for work in such intangible fields as the administration of justice, public health or public welfare, and international relations.

#### *Managing Managers*

MILLETT contributes a useful division of the administrator's responsibilities for internal management. In successive parts of this book he deals with "The Common Problems of Work Direction" and "The Common Problems of Work Operation." Having made this promising distinction, he deals in part one, in quite conventional terms, with such topics as leadership, planning, communication, supervision, and public relations. He adds little here to what has previously been known in these fields, but he brings together in useful orientation to the manager's tasks materials with which the potential administrator should be acquainted.

Under the second category he deals with other topics in similarly conventional terms. Here he assembles, in succinct, well-ordered form, most of what the public administrator needs to know about organization, budgeting, fiscal control, management improvement, personnel administration, and legal service.

Drucker's treatment of this phase of management is less conventional—and more stimulating. He frames his thoughts here on the foundation of "The Ford Story." He attributes the near failure of The Ford Motor Company under Henry the Elder to the old gentleman's attempt to "do without managers." The rebuilding job of the present Henry was preeminently a task of finding competent managers, delegating to them, setting goals for their performance, and holding them accountable. The ap-

pointment of Ernest R. Breech as executive vice president and the entrusting to him of large operating authority was the key, Drucker contends, to the rehabilitation of The Ford Motor Company.

The primary management job, Drucker insists, is that of finding capable executives and so defining each executive's job that objectives are obvious and "self control" is possible. This is the core of Drucker's philosophy and it is well stated. But he does not mean that the organization should consist of a number of independently ruled principalities. Indeed, his concept of the top executive is that of a team of two or more men whose task it is to lead and coordinate the executives at lower echelons.

#### *How To Organize for Effective Management*

IT FOLLOWS inevitably that in writing of organization, Drucker focuses his thoughts on the delegation of authority. To him, all responsibility and authority center in the operating manager. His superiors at the higher levels of management have only derived authority; they exist only to counsel and to serve the operating manager, and this reasoning logically leads him to quarrel with prevailing concepts of staff and line. Believing, as he does, that the manager should be made fully responsible, he argues that all headquarters staff agencies should be drastically limited in size and in function and that all services should report to the operating manager.

I wish that Millett had been confronted with Drucker's thesis and had essayed to evaluate the realism of this theory when applied in the field of public administration. Actually he devotes two chapters to a first-rate description of the nature of the public administrator's responsibilities for organizing his enterprise and to a thoughtful appraisal of what is known about informal organization. Had he attempted to evaluate Drucker's theory for application to the organization of public agencies, I fear he would have come face to face with distressing realities. Concentrating authority in the "operating manager" in a public agency is seldom possible. He is surrounded with checks and balances that are made essential by the division of powers and by the constant glare of public scrutiny, and he is continually responsible to a political superior who, in a democratic govern-

ment, may share but cannot avoid final responsibility for the results achieved. The "operating manager" can seldom be given all the resources required and then held fully accountable for results.

*How To Get the Most Out of People*

MILLETT does a good job of distilling out of the lore of public personnel administration the elements the administrator should master. He pictures the process from job classification to employee performance rating, and also the obstacles to dismissal. He plays the genius of his incisive and imaginative judgment on what is done in the process and reveals its rigidities and inaccuracies at critical points.

Drucker goes still further. He alleges that the whole concept of personnel administration is "bankrupt" or, at least, "insolvent." The philosophy of personnel administration is founded on a belief that work is necessarily unpleasant and onerous and that alternative means must be established to interest workers and develop their loyalty to the enterprise. For this philosophy, Drucker asserts (and he has company in this point of view), there must be substituted the idea of continuing "job enlargement" and challenges to the employee's sense of responsibility.

And these general prescriptions he spells out in effective and imaginative illustrations and specifics. He applies this reasoning with es-

pecial force to the role of the supervisor. He argues well that the supervisor today, in many enterprises, is neither fish nor fowl. He contends that "making him a member of management" is not enough. The supervisor's job, he insists, must be enlarged, his scope must be enlarged, and he must be provided, wherever possible, with the staff services he needs in terms of specialized clerks and assistants who report to him rather than to headquarters staff agencies.

These two books are addressed to different audiences. Drucker is writing for the businessman about management in private enterprise. Millett is writing for the public administrator, and perhaps even more directly for the college and university student. Both serve their audiences well. Drucker writes in a provocative, stimulating, interesting style. His book may, by the sheer imaginativeness of its concepts, do more to develop the art of management in American business enterprises than any other volume written in this decade. Millett does an amazing and thoroughly utilitarian job of distilling out of the lore of public administration the body of knowledge that makes up the evolving science of public administration. His is an orderly, comprehensive mind and the book is, as a consequence, a compact, considered, and useful handbook for the administrator and textbook for the student.

# Research Notes

Compiled by John C. Honey,  
Director, Government Studies Program,  
National Science Foundation

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With this issue of the *Public Administration Review*, the Editorial Board is introducing, on an experimental basis, this new Research Notes section. The purpose of Research Notes is to provide a medium for the exchange of information among research workers in public administration as well as to offer to all readers of the *Review* an overview of research work currently under way.

As indicated in the announcement carried in the Summer, 1955, issue of the *Review*, the following preliminary guides as to the types of research that will be reported are suggested to those who may wish to offer items for inclusion:

1. Research contributing directly or indirectly to the development of the understanding of public administration;
2. Research in the practice of public administration where the findings will be of general utility;
3. Interdisciplinary research dealing with the subject matter and methods of public administration and of other fields of knowledge and action;
4. Research in other disciplines where the findings are of significance to public administration;
5. Research of particular value in the teaching of public administration.

To keep the size of the Research Notes within manageable proportions it is suggested that the following limitations be observed:

1. Reports should generally be restricted to research work that will be completed in the following twelve months. (In selected cases, however, progress reports on longer-term projects may be of sufficient interest to be included.)
2. Studies for which publication arrangements have been completed and which will appear in the fairly immediate future should not be reported.
3. Research that has been reported in other pub-

lications that have a wide circulation among public administrators should not be reported.

4. Doctoral dissertations should not be reported unless faculty members believe them to be of unusual significance.

In reporting research projects the following points should be covered in a double-spaced abstract of not over 300 words:

1. The title of the project and the name(s) of the principal investigator(s);
2. The name and location of the institution where the work is being done and/or of the sponsoring agency;
3. A statement of the problem, hypotheses (if any), method of study, and major findings;
4. The expected date of completion.

Reports of research projects should be sent to John C. Honey, director, Government Studies Program, National Science Foundation, Washington 25, D. C.

The success of the Notes depends ultimately on the interest of Society members and subscribers both in making information available on significant research in progress and in using the Research Notes in connection with research, teaching, and practical work in public administration. Accordingly, the Editorial Board will welcome comments on and criticisms of this section.

## Oregon Joint Legislative Interim Committee on Local Government and Urban Area Problems

The first attempt at a statewide reorganization of local government to cope with modern urban area problems is expected to result from studies being conducted by the Oregon Joint Legislative Interim Committee on Local Gov-

ernment and Urban Area Problems. The committee, which is financed by a \$50,000 appropriation, is directed to study:

1. The need, availability, quality and cost of providing urban services to unincorporated urban areas, including but not limited to sanitary facilities, domestic water supply, public transportation, fire protection, street lighting, park and recreational facilities, street and sidewalk construction and maintenance, and police protection.
2. The necessity and feasibility of extending into unincorporated urban areas urban controls such as are exercised by incorporated cities within their limits, including but not limited to police regulations, building controls, and health and sanitary regulations.
3. The units of local government which have been established to provide urban services and controls in unincorporated urban areas, their relationship to each other and to cities and counties, the extent to which their areas conform to the logical natural areas for administration of such services and controls, their administrative efficiency, their financial resources, and their political responsibility.
4. The feasibility of utilizing city and county governments to provide all or some urban services and controls in unincorporated urban areas.
5. The correction of any inequities which may exist in financial burdens of local government as between the cities and their unincorporated urban fringe areas.
6. Problems relating to annexation and incorporation and to the operation, effect, administration, enforcement, and needed revision of any and all statutory and constitutional provisions in any way bearing upon or relating to the subject of this resolution.

The committee has named Robert Johnson as research director. Mr. Johnson is a former Oregon state civil service director, was executive secretary of the Oregon Little Hoover Commission, and has most recently been an administrative consultant for FOA in Greece. The research phase of the project will begin soon and the committee is directed to report its recommendations to the Oregon legislature which meets in January, 1957.

#### **The Professional Soldier and Political Power**

The professional soldier's position in American society is at marked variance with that to be found in European traditions. Exploring

this contrast, Professor Morris Janowitz, research associate in the Institute of Public Administration at the University of Michigan, is coordinating a comparative study of the sociological and political backgrounds of top American military leaders as they have been evolving during the last fifty years. It is assumed that an analysis of the social origins, career patterns, and self-conceptions of American military leaders can help explain the patterns of civil-military relations in the United States.

While the study focuses on the United States, for comparative purposes materials from European military establishments will be drawn upon. Under various forms of cooperative arrangements, a number of research scholars are engaged in the cooperative companion studies. They include Dr. Kurt Lang, Ottawa (Germany), Dr. Mark Abrams, London (Great Britain), Mr. Maury Feld, Harvard University (France), Mr. Richard LeBlond, University of Michigan (Italy), and Professor Dinko Tomašić, University of Indiana (Yugoslavia). Data are also being collected on other nations, including Sweden, Denmark, and Israel.

A working paper describing the theoretical orientation and selected hypotheses is available on request from the Bureau of Government, Institute of Public Administration, University of Michigan. Specialized and partial reports are projected but no date for the completion of the work has been set.

#### **Administrative Behavior in a Metropolitan Community**

In order to investigate empirically public attitudes toward public administration, the Institute of Public Administration, University of Michigan, in conjunction with the Detroit Area Study (an on-going social science research project), has undertaken a representative cross sectional study of 754 adult residents in metropolitan Detroit. The study assumes that a democratic society requires that the citizenry possess a minimum but adequate level of knowledge about the operations of administrative agencies, especially as far as their rights and obligations are concerned. Administrative agencies must in turn hold the basic confidence of the public and of their clients if the political order is to rest on the process of consent.

The survey seeks to describe and analyze the

kinds and extent of contacts the public has with a select group of federal, state, and local governmental agencies operating in the Detroit metropolitan area. The survey also encompasses the knowledge and attitudes citizens have about the agencies and how attitudes and contacts vary among social groupings. It focuses attention on the problem of the prestige of the civil servant. The points of view of the civil servant are also covered by means of a sample of civil servants of various grades, including key administrators.

The principal investigator in this project is Professor Morris Janowitz, research associate in the institute and a member of the sociology faculty. He is being assisted by graduate students William Delaney, Neal Weller, and Deil Wright. The final report is expected to be completed by June 1, 1956.

#### **Annexations to Pennsylvania Municipalities, 1940-1948**

Many current local governmental problems can be traced to fringe area development and the need for governmental units to adjust to the outward movement of urban populations. In recent years fringe development of Pennsylvania municipalities (especially smaller municipalities—boroughs and third-class cities) has usually been accompanied by annexation proceedings. The study of Annexations to Pennsylvania Municipalities, 1940-1948, now completed, is a detailed analysis of the 190 municipal annexations of outlying areas that took place in Pennsylvania in that period. The purpose of the study was to establish a better understanding of the complex problems of fringe area development by examining the various factors and circumstances entering into annexation proceedings.

In making this study local officials were interviewed, annexation documents were studied, and most of the annexed areas were observed to develop detailed information. Data collected on annexed areas included: (1) the size of the annexed area; (2) the type of area annexed; (3) the number of dwellings within residential areas at annexation and at the close of the period under observation—January 1, 1949; (4) desired public services and other possible reasons for annexation; (5) stage of installation of desired public services by January 1, 1949; and

(6) factors surrounding individual annexation proceedings.

The most revealing phase of the study was the fiscal effects of annexation. Among other things, a statewide comparison of property taxes was made for contiguous units of local government giving up and receiving annexed areas, and for annexation areas throughout Pennsylvania. The differential in general purpose taxes, school taxes, and fire insurance premium charges entered into this fiscal study. A second important phase of the fiscal study was an examination of the trend in population and total taxable valuation (1940-1948) of townships giving up annexed areas to contiguous municipalities. Increases or decreases in population and taxable valuation were compared with the general trend for townships contiguous to municipalities and townships isolated (noncontiguous) from municipalities.

A third part of the study was devoted to a general discussion of the various factors that enter into the development of urban and rural communities.

The study was conducted by Lee Calvin Moore, research assistant, Department of Internal Affairs, Commonwealth of Pennsylvania.

#### **Annotated Bibliography on Comparative Public Administration**

Of interest to practitioners and scholars of comparative public administration is a new annotated bibliography on the subject now in preparation in the Institute of Public Administration at the University of Michigan.

The bibliography is being developed primarily for use in a graduate seminar in comparative administration to be offered at Michigan in the spring of 1956. It is expected to be useful in planning the scope and nature of the seminar and in the conduct of this course, as well as of similar courses at other institutions. The bibliography is not intended to be comprehensive, but to provide informative annotations to selected items in the English language which would be most pertinent for such a seminar. Most of the items annotated will be grouped under such headings as modern bureaucracies (including historical antecedents, primary characteristics, and features of major current bureaucratic systems); organization and administrative relationships; personnel

management; fiscal administration; and administration and the public (including methods of securing compliance with public policy and problems of control and accountability). The preponderance of items listed is comparative in approach rather than confined to administration in a single country. However, an effort has been made to include materials dealing with all major types of administrative systems and all regional geographic areas, with particular stress on so-called "underdeveloped" non-Western systems of administration.

In compiling the bibliography, primary reliance has been placed on the few pioneer bibliographies in comparative public administration, reports of conferences and discussions of this subject, and indexes of standard publications in public administration and political science. In addition, subject and area specialists have been interviewed and have served as advisers. From these sources, over 2,000 titles of books and periodicals have been chosen for further scrutiny, of which some 500 are being searched and given varying degrees of examination and annotation. The completed bibliography will contain about 900 entries selected from these items.

A preliminary draft of the bibliography is expected to be ready for limited distribution during the autumn of 1955. A revised edition, incorporating suggestions from users of the initial draft, is scheduled for publication sometime in the summer or fall of 1956.

Jane Weidlund, graduate student in public administration at the University of Michigan on leave from the U. N. Technical Assistance Administration, is the principal investigator in the compilation of the bibliography. The project is under the supervision of Ferrel Heady, assistant director of the institute.

#### German Public Finance Administration

A descriptive and analytical treatment of German governmental fiscal management (federal, state, and local) with some comparisons with United States policies and practices. The study, approximately one-third completed, is being made by Professor A. M. Hillhouse, Graduate School of Business and Public Ad-

ministration, Cornell University, Ithaca, New York, who expects that a German economist will be associated as a coauthor. Completion date sometime in 1957.

#### The Politics of Office-Holding, U.S.A.

A study of the development of the federal civil service in the United States from 1789 to 1953, with emphasis on the period from 1883 to the present. It is designed as an analysis not only of the structure and general operation of the federal bureaucracy but also as an analysis of the relationship of the civil service mechanism to other political and social institutions and to the pattern of political power. This study is being conducted by Professor Paul P. Van Riper, Graduate School of Business and Public Administration, Cornell University, Ithaca, New York. Estimated completion date: Fall, 1955.

#### Administrative Apparatus in the Rural Ukraine

Detailed description and analysis of departments and categories of personnel in seven rural *raions* (counties) of the Soviet Ukraine. Based on information gathered by German occupation forces concerning the Soviet administration existing in the area immediately prior to the German invasion. Recently completed by Professor John Armstrong, Department of Political Science, University of Wisconsin.

#### The Loyalty Oath in the American Experience

A study of loyalty oaths from the days of the American Revolution until the present. Most of the attention is given to contemporary loyalty oaths, prescribed mainly but not exclusively for public employees. (Indiana, for example, requires a loyalty oath of boxers and wrestlers and Texas requires one of authors and publishers of textbooks.) One section is devoted to the constitutional law of the oath and to popular reaction which, in referenda, has always supported loyalty oaths. (Milton Greenberg, University of Wisconsin, Ph.D., 1955.)

# Contemporary Topics

Compiled by Opal D. David,  
Public Administration Clearing House

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## Defense Production Act Extension

The Defense Production Act of 1950, which was due to expire on June 30, 1955, has been extended for one year instead of the two years requested by the administration. This is the basic authority under which the federal government establishes priorities and stockpiles strategic materials for defense production and mobilization.

The proposal ran into difficulty over provisions relating to the use in administrative and policy-determining positions of so-called "without-compensation" appointees—persons who receive no salary from the government for services rendered while they continue to be paid by their companies. The number of WOC's used in this way in peacetime is very limited but the debate reflected the general concern of Congress during recent months over conflict of interest problems. Questions raised by the Comptroller General about some contracts approved by the Defense Materials Procurement Agency under the administration of a "without-compensation" appointee confirmed the doubts of many members about the wisdom of the arrangement. The measure finally agreed to by the conference committee provides that in the rare instances where administrative positions cannot be filled on a full-time, salaried basis the WOC appointees shall not be allowed to make any final policy decisions. The new act also provides for publication in the *Federal Register* of information about the financial interests and corporation affiliations of such appointees and directs the chairman of the Civil Service Commission to make a survey of all such appointments every three months.

The act authorizes the President to arrange for "the establishment and training of a nucleus executive reserve for employment in executive positions in Government during pe-

riods of emergency." This gives legislative sanction to the informal executive reserve program which was initiated last year by the Office of Defense Mobilization.

## Federal Agency Inspection Programs

The U.S. Department of Commerce has issued a revised department order governing conflicts of interest and private business activities of its officers and employees. The new order aroused an unusual amount of interest in Washington because it came at a time when the resignation of Air Force Secretary Harold E. Talbott had dramatized the conflict of interest issue and a subcommittee of Congress was investigating the use of business executives as unpaid advisers to the Commerce Department.

The revised regulation, which is part of the department's *Manual of Orders*, was drafted and issued in compliance with a request sent out in June, 1954, by the director of the Bureau of the Budget. At that time all departments and agencies were directed to review and, if necessary, revise their regulations governing employee conduct in order to prevent actions of an unethical or otherwise improper nature. Agencies were directed to designate a top official not in the personnel office to supervise this activity, and all of the larger ones were asked to set up inspection staffs to administer the regulations. This internal inspection activity supplements existing inspection and investigatory programs carried out by the Civil Service Commission, the Department of Justice, and General Services Administration.

The agencies were not required to report back on action taken in response to this request but on the basis of information available to the Civil Service Commission it appears that there have been varying degrees of activity in all agencies. In some agencies handbooks have

been prepared and distributed to individual employees. In others, special emphasis has been placed on this subject in orientation and other training courses. Wherever necessary, new regulations have been prepared for inclusion in agency procedures manuals.

The Commerce Department order notes the establishment of an Agency Inspection Staff and urges all employees to cooperate with this staff. The particular responsibility of its employees is underlined in a section which reads in part: "The close and sensitive relationship between the Department of Commerce and the Nation's business community calls for special vigilance on the part of all officers and employees to avoid even any appearance of impropriety." The order summarizes and gives the *United States Code* reference to the statutory limitations which apply to all federal employees and then lists additional regulatory limitations, some of which are based on executive orders, rulings of the Comptroller General, or regulations in the *Federal Personnel Manual*. These concern such matters as accepting gifts, capitalizing on official position, disclosure of restricted information, and speculating on the stock market.

A similarly detailed "instruction" was issued by the Atomic Energy Commission in September, 1954. Of special interest in the AEC code is a section warning against the acceptance of "any personal advantage . . . from any AEC contractors or prospective contractors, licensees or prospective licensees, or representative of any of them." Employees in doubt about the application of any section of the instruction are urged to discuss the matter with their supervisors.

#### Implementing Hoover and Kestnbaum Reports

Meyer Kestnbaum, who served as chairman of the Commission on Intergovernmental Relations, has been appointed to the White House staff to advise President Eisenhower regarding administrative and legislative action needed to carry out the recommendations of his commission and those of the second Hoover Commission on the Organization of the Executive Branch. During the summer the executive departments and agencies have been reviewing the reports with particular attention to the spe-

cific recommendations affecting their own operations, and their comments, submitted through the Bureau of the Budget, will be available to Mr. Kestnbaum.

#### Hoover Commission Implementation

The Citizens' Committee for Reorganization of the Executive Branch of the Government reports that 185 bills embodying recommendations of the commission had been introduced when Congress adjourned in August. No administration measures had been presented to Congress pending study of the reports by the agencies and by the White House staff.

In one instance, congressional action appears to have blocked the executive branch in carrying out a commission recommendation by administrative action, despite a presidential lecture on the separation of powers—the discontinuance of various business-type operations carried on by the Department of Defense, such as bakeries, dry cleaning plants, and cobbler shops. Such action could normally be taken by the Secretary of Defense without reference to Congress, but a rider attached to the Defense Department Appropriations bill for this fiscal year required the Secretary to give ninety days' notice to the Senate and House Appropriations Committees and to secure their approval before acting on the disposal or transfer of work that had been carried on by the department for three years or more. Faced with the dilemma which such riders on appropriations measures always present, President Eisenhower sent a message to Congress (H. Doc. No. 218, 84th Cong., 1st sess.) stating that he had been advised by the Attorney General that this section of the bill was "an unconstitutional invasion of the province of the Executive" and that "such section will be regarded as invalid by the executive branch of the Government . . . unless otherwise determined by a court of competent jurisdiction." On August 9 the Defense Department sent to the Appropriations Committees of the House and Senate, as a matter of courtesy, notification of its intent to close fourteen listed business-type operations "in the near future." Objections were made by both committee chairmen and the Defense Department has subsequently agreed to postpone action until Congress reconvenes.

**Schedule C Summary**

Summary figures relating to the number of positions in Schedule C as of June 30, 1955, have been released by the U.S. Civil Service Commission. These are the policy-making or confidential positions below the Cabinet and sub-Cabinet level which have been approved by the commission for exemption from the competitive civil service in accordance with an executive order issued by President Eisenhower on March 31, 1953.

The total number of positions in Schedule C on June 30 was 1,122. Of this number, 253 were taken directly from the competitive system; 533 were removed directly from Schedules A and B, which are other job categories exempt from civil-service requirements; and 336 were new positions. The commission reported that 277 of the Schedule C positions are in Grade 16 or above. Of this number, 196 are policy-determining; 52 are confidential; and 29 are both policy-determining and confidential. Another 385 such positions are in grades 13, 14, and 15. Of this number, 125 are policy-determining; 233 are confidential, and 27 both policy-determining and confidential. The remaining 460 positions are held by employees in Grades 12 or below. All of these are listed as confidential.

The commission has rejected almost as many agency requests for Schedule C positions as it has granted. The total number of rejections as of June 30 was 1,127, or five more than the net number of Schedule C jobs approved. Of this group, 196 were resubmissions, leaving the net number of rejections at 991.

With agency concurrence, the commission may remove from Schedule C positions which have been approved for inclusion in this category. This is done whenever it is established that the duties of the affected positions have been so altered that Schedule C criteria no longer apply. Revocation may also result from reorganization within agencies and from abolition of the affected positions. During the first six months of 1955 the number of Schedule C positions was reduced by 12.

**New Federal Service Entrance Examination**

The U. S. Civil Service Commission has undertaken a new recruiting program designed to

encourage more college graduates to enter the career service of the federal government. A single Federal Service Entrance Examination, announced October 18, replaces numerous college-level examinations, including the Junior Management Assistant Examination. Unlike previous examinations for this group, which were generally limited to once a year, the new examination will be open continuously, with written tests given at least quarterly. Applicants who qualify will be eligible for appointment in field offices as well as in Washington.

The federal written testing program for the recruitment of college candidates has undergone several transitions in the past twenty years. The first examination, the Junior Civil Service Examiner Examination, was open to all college majors. As agencies tended more and more to request specialists, the Civil Service Commission announced a series of Junior Professional Assistant Examinations. Applicants were placed on registers according to their majors and were hired according to the specialized needs of the agencies. Following World War II, renewed interest in the hiring of generalists led to the announcement of the Junior Administrative Technician Examination, but large registers, modest standards, and an excess of disabled veterans who were placed at the top of the list even though they failed the written test, resulted in little use being made of these registers.

To meet this situation the commission announced the Junior Management Assistant Examination, which included stiff written tests, interviews, and careful checks with former teachers and other references. Agencies sought eagerly the young people available on these registers. Usually all available eligibles received at least one offer and those standing high on the list received several offers. Requests for specialists from the Junior Professional Examination all but disappeared in the fields of the social sciences and the liberal arts.

The new examination program continues the principle of the Junior Management Assistant Examination for persons who wish to seek appointments as interns in federal agency training programs. The examination is divided into two parts, and two separate registers will be established. A general examination will be given in the morning and candidates who pass

this test will be eligible for appointment to a variety of staff and line positions at the entrance level. Applicants who wish to do so may take additional tests in the afternoon, and lists of those who qualify on the basis of these tests and the supplementing interviews and reference checks will be used to fill internship and other special trainee positions.

The new examination will not take the place of current examinations in the physical science, engineering, and certain other technical fields. It will, however, be open to holders of bachelor or higher degrees, regardless of subject matter specializations, to fill positions for which no specialized educational preparation is required. The entrance salaries for these positions are \$3,670 for persons with bachelor degrees and \$4,525 for those having higher degrees or qualifying graduate work or experience.

#### Expanded Foreign Service Recruiting Program

The Department of State has, until recently, filled most of the officer positions at its headquarters in Washington with civil service personnel while the embassies, legations, and consulates overseas were staffed with Foreign Service personnel. However, one of the major recommendations made to the Secretary of State last year by his Public Committee on Personnel (frequently referred to as the Wriston Committee) called for staffing almost all officer positions both here and abroad with Foreign Service officers and for the integration of the different systems into a single Foreign Service officer corps. A further recommendation called for simplifying and expediting the process of examining and appointing Foreign Service officer candidates.

In order to carry out this program, the department has made several changes in its examination procedure for entrance into the Foreign Service. Emphasis in the past has been on broad, general background, and the three and one-half day written examination given annually in September was designed to select these qualities. With the more varied types of positions now being filled by Foreign Service officers, there is increased need for persons with specialized training in such fields as political

science, public and business administration, international labor affairs, economics, cultural relations, journalism, and language and area studies. The new examination, which lasts one day and is offered in 65 cities in the U.S. and Foreign Service posts abroad, takes into account such specialized training. Supplementary oral examinations, which are given only to those who pass the written test, are conducted in a number of regional centers instead of being limited to Washington.

The first examination under the new system was held in June. Another examination will be held this year in December and annually thereafter. In preparation for the June examination, 97 officers of the Department of State visited 233 educational institutions and talked with more than 19,000 students and faculty members about the examination and the opportunities offered by the Foreign Service. Approximately 4,400 persons filed for the examination—more than three and one-half times the number who applied for the old-type examination in September, 1954. The 3,334 who actually took the examination exceeded the number who had taken it in any of the previous eight years, and included people from every state, Hawaii, and Puerto Rico. Of this number, 658 passed the written examination. Those who also pass the oral and physical tests will be eligible for appointment as junior officers at salaries ranging from \$4,725 to \$5,475.

#### Technical Resources for Public Administration

In order to respond more effectively to the steadily increasing number of requests from public administration technicians serving overseas and from foreign officials in the United States for training in public administration, a Technical Resources Branch was established some months ago in the Public Administration Division of the Foreign Operations Administration, which on July 1 became the International Cooperation Administration.

United States technical cooperation in public administration continues to be carried on by the ICA. With programs in 37 countries, ICA's Public Administration Division had 91 technicians overseas as of July 1 and had in effect 14 contracts with universities and 10 con-

tracts with management consulting firms. During the fiscal year 1955, 385 officials of foreign governments came to the United States for training in public administration under this bilateral technical cooperation program.

The Technical Resources Branch works closely with the Training Branch and with three geographic area program branches. The branch is responsible for gathering and preparing appropriate written materials both for technicians overseas and for participants in the training program here. It supplies material to foreign officials who have returned to their countries after being in the United States for training in public administration and assists in orienting ICA public administration technicians about to go overseas.

Particular emphasis is being placed on building up a comprehensive collection of reports on projects carried out overseas. The branch would welcome materials and bibliographies in the field of comparative public administration.

#### New Central Accounts System

For a number of years, the executive and legislative branches of the federal government have been cooperating in an endeavor known as the Joint Program to Improve Accounting in the Federal Government. In line with the objectives of this program, the Treasury Department began on July 1, 1955, to install a comprehensive system of central accounts designed to bring together the complete results of the cash operations of the entire government. In addition to figures showing the government's revenues and other receipts and the expenditures which heretofore were compiled in these central accounts, the new system will assemble information on the various classes of cash assets held throughout the government and certain classes of liabilities which are created by the cash operations.

As required by the Budget and Accounting Procedures Act of 1950, which is the fundamental legal basis for the program to improve accounting and reporting in the government, the new system links the accounts of the various administrating agencies with the Treasury's accounts for cash operations, to facilitate the

development of consolidated financial reports that are complete and reliable.

The new system of central accounts, by providing complete summary information which is tied in directly to the operating accounts of the Treasurer of the United States, forms the basis for simpler and more economical procedures throughout the government. A few examples are:

1. More than 2,000 checking accounts formerly kept by both the Treasurer of the United States and the disbursing officers will be eliminated. The new simpler procedures will make it possible to disclose the liability of the government for amounts of checks which have not yet been paid by the Treasurer of the United States.

2. The former system of central accounts required certain distinctions between classes of receipts and other collections handled throughout the government which are deposited for credit in the account of the Treasurer of the United States. These accounting distinctions meant that different types of documents evidencing these deposits (i.e., certificates of deposit) had to be used at several thousand operating points daily. Some of these types of documents have now been eliminated and others have been combined into a single document. Coupled with these simplifications is the fact that the new procedures provide better methods, through the Treasury's central accounts, for verifying the amounts of deposits reported by disbursing and other officers with the deposits received in the Treasurer's accounts.

3. Under the former system it was necessary that certain types of bookkeeping transactions within the government having no effect on receipts or expenditures but affecting two different officers or agencies be handled by drawing checks on the Treasurer and depositing the checks back in the Treasurer's accounts. These practices have been eliminated.

4. Improved types of statements are being rendered by disbursing and collecting officers to present periodically, and in a cohesive pattern, the results of the many transactions they handle. The new statements have been designed for use both in the central summary accounts in the Treasury and in the independ-

ent audit by the General Accounting Office, thereby providing the basis for coordinating the over-all accounts of the government and the related financial reports directly with the independent audit.

The underlying procedural changes of the new system affect practically all government agencies in Washington and their field offices. It is expected that the period of installation will extend over at least the first year's operation, during which time much practicable experience will be gained and further procedural improvement generated.

### Protecting Historical Landmarks

With the current stress on community rebuilding throughout the country, a number of cities are finding it desirable to take steps to preserve, protect, and even reconstruct historical areas within their boundaries.

The Vieux Carré section of New Orleans—where French and Spanish merchants and planters once lived—has been protected not only for its historical value but also for its worth as a place to live today. Nearly twenty years ago, the state Legislature passed a law allowing the city to set up an aesthetic control agency which since then has reviewed all building plans involving exterior changes. The agency has the power to stop demolition of any part of a building in that district.

Natchez, Mississippi, has an architectural plan which is part of the city's master plan and has a local ordinance to back it up. This plan deals with the outside design and appearance of nineteen historic buildings in a twenty-block area surrounding the central business district. It concerns such matters as colors, building materials, site layouts, walks, walls, plantings, and signs. The purpose of the plan is to retain a harmonious arrangement of buildings. This does not necessarily mean keeping everything just the way it was; the plan allows for good designs of any period if they look well together.

In Charleston, South Carolina, a special zone, "Old and Historic Charleston District," has been established by local law. It covers the area where there is the greatest concentration of early buildings. The city has a Board of

Architectural Review that passes on the appropriateness of exterior architectural features proposed for buildings that will be erected or altered in that area.

A similar law in the District of Columbia establishes the boundaries of "Old Georgetown" and provides that the city commissioners, before issuing any permit for the construction, alteration, reconstruction, or razing of any building within that area, shall refer the plans to the National Commission of Fine Arts to determine whether any changes are necessary "to preserve the historic value of said Georgetown district."

The Historical Society of Charlottesville, Virginia, is seeking enactment of a building design ordinance that will control new buildings and allow supervision of alterations on present buildings, and the Massachusetts legislature has been petitioned for authority to create in Boston an "Historic Beacon Hill District" covering twenty-two acres on which stand structures that recall the area's part in the founding of the United States.

The U. S. Congress has also interested itself in this subject. In 1948, it authorized federal aid to help Philadelphia and the state of Pennsylvania preserve Independence Hall and surrounding historic sites and buildings in that city. Congress also chartered the National Trust for Historic Preservation, located in Washington, D. C. This organization serves as a clearinghouse for historic preservation efforts and helps civic groups conduct or start such campaigns. It has prepared model zoning provisions that establish historic uses.

### Relocation Aspect of Community Improvement

Families displaced by community improvement programs can intensify existing slum conditions or create new slums unless relocation is included as an integral part of the program. In an effort to call attention to this danger, the National Association of Housing and Redevelopment Officials has issued a seven-point policy statement on relocation for use by localities planning public improvement programs which will displace families from their homes. Programs where relocation problems are likely to occur include public housing, ur-

ban redevelopment, highway construction, urban renewal, and stepped-up code enforcement. The association emphasizes that satisfactory relocation is an essential element of any locality-wide program to create and protect community values, and federal and local governments should recognize relocation as a definite element of cost in acquiring sites for any public purpose.

The association also urges that the relocation activities of all local agencies be coordinated and that such programs be established early enough in the development of public improvement plans so that action will not be held up by the inability to relocate families living on improvement sites.

#### Recognition for Employee-Authors

New York city employees who have articles, books, or other professional writing published now get mention in a special pamphlet put out by the municipal reference library and sent to officials and other employees of the city. The pamphlet lists the names of those local employees "who, during the past year, have been quietly adding to the store of professional knowledge about New York by their written contributions." The title and publisher of the writings are also listed. The idea of the pamphlet is to extend recognition to the writers beyond the limits of the particular departments in which they serve and also to stimulate creative efforts in others. In the back of the pamphlet appear reviews of books that are considered by the library staff to be of interest or use to employees in the city's departments and agencies.

#### Regulating Traffic on Toll Roads

Variable rates to regulate traffic on toll roads have been recommended for the proposed Delaware expressway near Philadelphia, Pennsylvania. The idea is like that behind lower charges on Sundays and at nights for long distance telephone calls: low tolls on off-peak hours to encourage some drivers to travel then instead of during rush hours and, conversely, higher tolls during the rush to induce some drivers to use the road another time.

The variable toll recommendation appears in *The Delaware Expressway, Free or Toll?*

*A Report in the Interest of Further Discussion*, prepared by the Philadelphia Bureau of Municipal Research and the Eastern Division of the Pennsylvania Economy League. The report suggests the use of tolls that vary in amount according to the time of day, the day of the week, and even the season of the year. It suggests that tolls might also vary depending on the kind of traffic—so that, for example, a truck carrying fruits and vegetables might be judged "high priority traffic" and pay less toll than a pleasure car.

Tolls that vary according to the number of passengers a car is carrying are suggested for the purpose of encouraging group riding and thereby reducing the total number of cars on the road. The report even goes so far as to suggest that during selected off-peak night hours no tolls at all might be charged if finances permitted and the public interest benefited. Such a policy might be particularly appropriate, it is pointed out, at times when toll traffic is likely to be so limited that revenues do not equal the costs of toll collection.

#### Alaska Constitutional Convention

A constitutional convention, empowered to prepare a constitution for the proposed state of Alaska, met on November 8, 1955, at the University of Alaska, near Fairbanks. The convention was called by an act of the 1955 session of the Legislature of Alaska. The fifty-five delegates to the convention were chosen in a non-partisan special election held in September.

Preconvention staff work was the responsibility of the Alaska Statehood Committee, an agency of the Territory of Alaska established by law in 1949. The early efforts of the committee centered mainly on promotion of the statehood-for-Alaska cause in Congress, but since passage of the convention bill by the territorial Legislature last March with only one dissenting vote, its energies have been turned toward preparations for the November meeting.

Public Administration Service was engaged by the committee to prepare constitutional studies for the use of the convention delegates. Studies prepared by the PAS staff seek to summarize the experience and practice of other jurisdictions on constitutional matters, indi-

cate recent constitutional trends, and point out the major arguments used to support and oppose the principal points at issue. Pamphlet studies on constitutional topics were also prepared for circulation in the newspapers of Alaska as a public information program. The bulk of the staff work was done in Alaska in order to key the studies directly to Alaskan conditions.

Other preparatory staff work included conferences in Honolulu between the executive officer of the Alaska Statehood Committee and staff members and delegates to the Hawaiian Constitutional Convention of 1950 to discuss the administrative, organizational, and procedural aspects of that convention. The Alaskan group also made arrangements to bring several leading political scientists and specialists in state government of the United States to its convention as technical advisers.

#### Albany Plans Executive Institute

New York's top state executives will meet on December 1-3 for an Executive Institute. Department heads, their deputies, and other chief assistants from all of the state's important agencies will participate. Attendance of more than 100 is expected.

This unprecedented gathering together of the state's key executives is a project of Governor Harriman's Sponsoring Committee for Public Administration Training. Under the chairmanship of Comptroller Arthur H. Levitt, this committee also guides an over-all program embracing the joint New York University and Syracuse University Graduate Program in Public Administration in Albany and the training of some 50 interns and state employee trainees each year. The institute is entirely state-conducted but is expected to reinforce these going operations by arousing a governmentwide interest in administrative training at the junior, middle, and top management levels. It is possible that a demand will be created for future executive institutes to be conducted every year. These might follow the same pattern as the first or be more intensive—for fewer participants over a wider span of days.

Objectives of the Executive Institute are to create a sense of common enterprise among

state executives, promote a general understanding of the means by which an administration achieves a unified personality (e.g., the Governor's legislative program and his budget), and develop interdepartmental cooperation. Also, it is hoped the institute will spur management improvement efforts in all agencies and facilitate the communication of policy thinking between the Governor's office and departmental executive offices.

A subcommittee composed of prospective participants in the institute and chaired by Milton D. Stewart, executive assistant counsel to the Governor, has drafted the institute program. The topics will be The State Constitution and Executive Leadership in Legislation, Policy and Program Development, Financing the Program, Staffing for Program, and The Departments and Their Publics. By and large the approach used will be to explore the topics in round-table discussions.

It is hoped that the Governor will be the keynote speaker at the dinner opening the institute.

#### Puerto Rico Budget Bureau Activities

The annual report of the Bureau of the Budget in Puerto Rico for the fiscal year 1954 is the first one to be made generally available in printed form. It is a combined Spanish and English edition of 50 pages which describes in nontechnical terms the history of the budget process in Puerto Rico and the organization and activities of the present bureau.

In addition to the regular activities of the bureau's three divisions—Budget Management, Organization and Methods, and Statistics—the report notes under "Miscellaneous Activities" that the bureau has cooperated in the training and guidance of scholarship grantees under the Technical Cooperation Program and has provided secretariat services to the local chapter of the American Society for Public Administration.

The bureau is also responsible for the preparation and maintenance of a *Manual of Organization of the Government* which includes information on the operation, structure, and organization of the executive, legislative, and judicial branches of the government. The first edition of this manual was published in 1950.

by the School of Public Administration, College of Social Sciences, University of Puerto Rico. The latest edition, released in January, 1955, was prepared by the Bureau of the Budget through an agreement reached with the school. The manual, which is loose-leaf, will be reviewed and revised by the bureau each year. A completely revised edition is planned for printing every five years.

#### Municipal Leaders Visit Western Germany

The heads of six cities in the United States made a four-week tour of West Germany in September under an exchange program begun in 1952 between the United States and the West German government. The tour started at Bonn and included visits to Cologne, Hamburg, Munich, and other cities where the group met with German officials to discuss municipal administration and to exchange ideas and information on city services and techniques.

The U. S. officials selected for the tour, which was financed by the host government, were Mayors Andrew Broaddus, Louisville, Kentucky; Donald H. Mead, Syracuse, New York; Raymond Tucker, St. Louis, Missouri; and George M. Vermillion, Long Beach, California; and City Managers Carleton F. Sharpe, Hartford, Connecticut; and Ray W. Wilson, Phoenix, Arizona. Accompanying the group was Patrick Healy, Jr., executive director, American Municipal Association. The AMA has been an active supporter of the exchange program since it was initiated.

#### Municipal Management Interns

Fifteen interns have received training in municipal administration under the direction of the city manager of Phoenix, Arizona, as the result of a program initiated by him in 1950.

The program was established with three main objectives: (1) to increase the amount of staff assistance available to the city manager, (2) to keep city officials aware of new ideas and methods in municipal administration, and (3) to encourage young men to follow careers in city government and to give them experience in that field. Applicants are limited to those who either have obtained or are studying for advanced degrees in municipal administration. Three interns are appointed each year from

those applying. Those selected sign contracts agreeing to stay on the job one year. The salary is \$250 per month.

Interns are assigned such tasks as following up on suggestions for improvement made by employees, taking notes on the city manager's weekly meetings with his staff, representing the city manager when bids for local projects are opened, and working on the annual budget. They are also given special research assignments related to possible expansion or improvement of the city services.

A recent check on the present activities of the fifteen interns who have completed their training under this program revealed that five of them are now employed as city managers themselves. Four are administrative assistants to city managers, one is assistant to a city finance director, one is administrative analyst for a county government, one is a councilman in the city where he lives, and one has joined the staff of the International City Managers' Association. The other two are in the armed forces, one of these having held a position as city manager before going into the service.

#### Chicago Executive Development Program

The University (Downtown) College of the University of Chicago is cooperating with the Chicago Federal Personnel Council in the development and conduct of a special program for federal employees in the area which is designed to supplement the staff development programs conducted by the individual government agencies.

The program for the 1955 fall quarter is divided into five parts with one or more seminars organized around the following subjects: human relations; executive use of organization; conceptions of the state—their effect on the agency; executive use of scientific method; and communications. Each seminar is led by a regular member of the university staff with appropriate use of consultants and subject matter specialists from private industry, government agencies, and universities. Leaders or consultants for the current quarter include Herbert Emmerich, director, Public Administration Clearing House; C. Herman Pritchett, chairman, Department of Political Science, University of Chicago; Victor A. Thompson, chair-

man, Department of Political Science, Illinois Institute of Technology; and Leonard D. White, Ernest DeWitt Burton distinguished service professor, University of Chicago.

Participation in the program is limited to federal employees in the Chicago metropolitan area who are serving in administrative staff or supervisory positions at Grade GS-11 or above and who are nominated by the local head of their agency and recommended by the Chicago Federal Personnel Council. Both last year, when the program was initiated, and again this fall, the number of qualified candidates wishing to register has greatly exceeded the number that could be accommodated.

#### I.I.A.S. Round Table Report

The International Institute of Administrative Sciences held its annual Round Table sessions at Oxford this year at the invitation of the Royal Institute of Public Administration. The meetings, which ran from July 11-15, 1955, were attended by delegates from four international organizations (United Nations, Food and Agriculture Organization, European Productivity Agency, and the International Committee for Scientific Management) and from forty-four countries.

In order to make it easier for everyone to take part, the participants were divided into two groups, but the discussions of both groups covered the same general subject matter and were based on the same working documents.

The topics discussed were: common factors in the management of public and private enterprises; administrative control of budget execution; evaluation of the administrative staff college concept; trends in university education in business administration of significance for university education in public administration; contracts of public authorities; and advances in public administration most applicable to private enterprises and *vice versa*.

At the closing session of the Round Table, M. René Cassin, president of the institute, announced that the next three-yearly International Congress of Administrative Sciences, scheduled for September, 1956, will be held in Madrid at the invitation of the Spanish government. Topics selected for discussion at the 1956 congress are: contracts of public author-

ties; present tendencies in the improvement of higher-grade civil servants; and procedures for preparing and implementing administrative reforms.

#### Indian Journal of Public Administration

The Indian Institute of Public Administration which was established last year (see Summer, 1954, *Review*, p. 228) is now publishing a quarterly journal. The first issue, dated January-March 1955, introduces itself with an excerpt from the address delivered at the inaugural meeting of the institute by Prime Minister Nehru, emphasizing that "administration like most things is, in the final analysis, a human problem." Other material in this first issue includes articles by Paul H. Appleby on "Comparative Public Administration" and by William A. Robson on "The Forms and Directions of Public Enterprise," as well as a number of articles by members of the institute relating directly to the public administration in India. The journal also reprints a "synopsis" on the study of public administration with special reference to India, prepared by W. W. Crouch who was in India as a consultant to the institute.

An abridged report by the director of the Institute, Professor D. G. Karve, summarizes the accomplishments of the institute to date and indicates the scope of the program contemplated for the future. The institute's library and information service are now operating and plans are under way for the establishment of a school of public administration.

The financial resources of the institute consist of a three-year grant from The Ford Foundation and a grant by the government of India, in addition to membership fees.

#### Scholarships for International Understanding

Increasing numbers of students from France and from the Latin American countries will have an opportunity to study in this country within the next few years if the plans of two recently established memorial foundations are successful.

The Lafayette Fellowship Foundation, established by friends of France in this country

to honor the memory of the Revolutionary War hero, plans to select ten French students each year who will receive fellowships enabling them to come to this country for two years of study and travel. The foundation was established this year, after two years of preliminary activity, with President Eisenhower and President René Coty of France serving as honorary cochairmen. General Walter Bedell Smith, former Under Secretary of State, is chairman. The sponsors of the fellowship project hope to bring the first group of ten students to this country to celebrate the 200th birthday anniversary of the Marquis de Lafayette on September 6, 1957. The foundation has received a pledge of \$1,000,000 from The Ford Foundation to be made available when \$2,000,000 has been raised from other sources.

The Cordell Hull Foundation for International Education is undertaking a drive to raise a \$10,000,000 endowment which will make it possible for it to offer grants or loans to Latin American students who wish to study in this country.

Officers of both foundations have compared their programs to the Rhodes Scholarships for study in England and have expressed the hope that they may contribute similarly to international understanding.

#### National Association of Social Workers

Seven national groups of professional social workers have dissolved their separate associations and joined together to form one unified organization to be known as the National Association of Social Workers. The membership of the new association, estimated to be more than 20,000, includes former members of the following groups: American Association of Group Workers, American Association of Medical Social Workers, American Association of Psychiatric Social Workers, American Association of Social Workers, Association for the Study of Community Organization, National Association of School Social Workers, and Social Work Research Group.

Formation of the new organization followed six years of negotiation and planning by an interassociation committee. The action was overwhelmingly approved by a mail referendum of the membership of the organizations concerned.

The new national association is being organized initially into five sections to enable specialized groups within it to continue their development of particular aspects of practice to meet special human needs. These sections are Group Work, Medical Social Work, Psychiatric Social Work, School Social Work, and Social Work Research. New sections may be added later as needed.

Officers of the new association will be the merging of the officers of the old associations. The new organization will function as a coordinating body for the social workers in the field of social legislation, social practice, research, and education.

#### American Foundations Information Service

The American Foundations Information Service has published its seventh edition of *American Foundations and Their Programs*. This edition contains descriptive information on more than 4,000 foundations, arranged by field of interest. The book is a valuable compilation which summarizes the activities of foundations during the past decade and the general pattern of giving.

The first edition of this volume, published in 1931 under the auspices of the Twentieth Century Fund, covered 243 foundations in contrast to the 4,162 described in the current volume. Publication of this seventh edition was sponsored jointly by Raymond Rich Associates and Marts and Lundy, Inc., two firms which specialize in counseling philanthropic organizations. The book may be purchased from the American Foundations Information Service, 860 Broadway, New York 3, N. Y., for \$35.

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Officers of the new association believe that the merging of the seven groups into one organization will facilitate integrated planning and coordinated activity by all professional social workers in dealing with such issues as social legislation, education for professional practice, research, and recruitment of social workers.

#### American Foundations Guide

The American Foundations Information Service has published a new edition of the standard reference work, *American Foundations and Their Fields*. The 784-page volume contains descriptive information about more than 4,000 foundations, indexed by name and by field of interest, and an introductory statement which summarizes the growth of foundations during the past decade and the general pattern of giving.

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How realistic is the view which holds that the states can effectively administer river development programs? How far has TVA been willing or able to use state support? Dr. Roberts provides a candid and searching analysis of pressing questions in the area of resource administration.

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